

# MISSISSIPPI



## TAX STRUCTURE

Prepared by:  
Mississippi State Tax Commission  
Jackson, Mississippi  
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Listed below are the District Offices of the Mississippi State Tax Commission with counties served by each:

<b>BROOKHAVEN DISTRICT SERVICE OFFICE</b> 1385 Johnny Johnson Dr. Post Office Box 3999 Brookhaven, MS 39603-7999	(601) 833-4761	Adams, Amite, Claiborne, Copiah, Franklin, Jefferson, Jefferson Davis, Lawrence, Lincoln, Pike, Simpson, Walthall, and Wilkinson
<b>COLUMBUS DISTRICT SERVICE OFFICE</b> 3580 Highway 45 N., Post Office Box 8885 Columbus, MS 39705	(662) 328-3271	Calhoun, Chickasaw, Choctaw, Clay, Lowndes, Monroe, Noxubee, Oktibbeha, Webster, and Winston
<b>GREENWOOD DISTRICT SERVICE OFFICE</b> 117 B Grand Blvd. Post Office Drawer D Greenwood, MS 38935-0420	(662) 453-1742	Attala, Bolivar, Carroll, Grenada, Holmes, Humphreys, Issaquena, Leflore, Montgomery, Sharkey, Sunflower, Tallahatchie, Washington, and Yazoo
<b>GULF COAST DISTRICT SERVICE OFFICE</b> 1141 Bayview Ave., Suite 400 Biloxi, MS 39530-1601	(228) 436-0554	Hancock, Harrison, and Jackson
<b>HATTIESBURG DISTRICT SERVICE OFFICE</b> 17 JM Tatum Industrial Dr. Suite 2 Post Office Box 1709 Hattiesburg, MS 39403-1709	(601) 545-1261	Covington, Forrest, George, Greene, Jones, Lamar, Marion, Pearl River, Perry, and Stone
<b>JACKSON DISTRICT SERVICE OFFICE</b> 1577 Springridge Rd. Raymond, MS 39154 Post Office Box 1033 Jackson, MS 39215-1033	(601) 923-7530	Hinds, Madison, Rankin, and Warren
<b>MERIDIAN DISTRICT SERVICE OFFICE</b> 2600 Old North Hills St. Post Office Box 3625 Meridian, MS 39303	(601) 483-2273	Clarke, Jasper, Kemper, Lauderdale, Leake, Neshoba, Newton, Scott, Smith, and Wayne
<b>SENATOBIA DISTRICT SERVICE OFFICE</b> 115 S Ward St. Post Office Box 127 Senatobia, MS 38668	(662) 562-4489	Benton, Coahoma, Desoto, Lafayette, Marshall, Panola, Quitman, Tate, Tunica and Yalobusha and the Memphis, TN area.
<b>TUPELO DISTRICT SERVICE OFFICE</b> 2610 Traceland Drive Post Office Box 3000 Tupelo, MS 38803	(662) 842-4316	Alcorn, Itawamba, Lee, Pontotoc, Prentiss, Tippah, Tishomingo, and Union
<b>OUT-OF-STATE</b> Post Office Box 23338 Jackson, Ms 39225-3338	(601) 923-7530	

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## **AD VALOREM**

### **OFFICE OF PROPERTY TAX**

#### **(27-31-1 et seq. to 27-53-33 et seq.)**

All property, real and personal, is appraised at true value then assessed at a percentage of true value according to its type and use.

Assessment ratios are 10%, 15%, and 30%. All ad valorem taxes are assessed by local taxing authorities except that the Tax Commission assesses all public service corporations (railroads, pipelines, electric power and light companies, private railcars, telephone and telegraph companies, and other such companies) and provides to the tax assessor uniform assessment schedules for motor vehicle and mobile homes.

All ad valorem taxes are collected by the local county and/or municipal tax collectors. Ad valorem taxes are payable on or before February 1 of the following year of assessment except on motor vehicles which are paid at the time they are registered for road and bridge privilege taxes. Mobile homes must be registered within 7 days of either purchase or movement into the state and the ad valorem taxes are to be paid within 90 days.

### **Homestead Exemption**

#### **(27-33-1 to 27-33-79)**

Qualified homeowners are allowed an exemption from certain ad valorem taxes based on the assessed value of their home. The amount of exemption is determined from tables that are provided in the statute. Persons who are 65 years of age and older or disabled are exempt from all ad valorem taxes up to \$7,500.00 of assessed value. The application for exemption must be filed with the individual county on or before April 1.

### **Free Port Warehouse**

#### **(27-31-51 to 27-31-61)**

Warehouses located in Mississippi which handle and store personal property may qualify for licensing as a free port warehouse provided that a percentage of the value of the personal property handled by the warehouse is destined for shipment outside the state. This percent of value shall be applied to the merchandise on hand as of January 1, and this value shall be exempt from ad valorem taxes provided that the local taxing authorities have granted an exemption to the warehouse. Cost of license-\$10.00. This license is obtained from the local tax assessor.

### **Industrial Exemptions**

#### **(27-31-101 to 27-31-117)**

The State Tax Commission (Office of Property) is charged with the responsibilities, upon receipt of the required documentation from local governing authorities, to investigate and determine whether certain industries are eligible and should be exempted from ad valorem taxation. Upon favorable concurrence with the local governing authorities, the State Tax Commission shall certify by issuing its certificate of approval.

Upon granting the exemption, new and existing industries shall be exempted from all ad valorem taxation, except for school district purposes.

**ALCOHOLIC BEVERAGES**  
**OFFICE OF ALCOHOL BEVERAGE CONTROL**  
**(Not including Beer and Light Wines.)**  
**Licenses**  
**(27-71-5)**

(a) Manufacturer's permit, Class 1, distiller's and/or rectifier's-----	\$ 4,500
(b) Manufacturer's permit, Class 2, wine manufacturer-----	\$ 1,800
(c) Manufacturer's permit, Class 3, native wine manufacturer, per 10,000 gallons or part thereof produced-----	\$ 10
(d) Native wine retailer's permit-----	\$ 50
(e) Package retailer's permit each-----	\$ 900
(f) On-premises retailer's permit, except for clubs and common carriers, each-----	\$ 450
On purchases exceeding \$5,000 and for each additional \$5,000, or fraction thereof-----	\$ 225
(g) On-premises retailer's permit for wine of more than 4% alcohol by volume, but not more than 21% alcohol by volume (each)-----	\$ 225
On purchases exceeding \$5,000, and for each additional \$5,000, or fraction thereof-----	\$ 225
(h) On-premises retailer's permit for clubs-----	\$ 225
On purchases exceeding \$5,000 and for each additional \$5,000, or fraction thereof-----	\$ 225
(i) On-premises retailer's permit for common carriers, per car, plane or other vehicle-----	\$ 120
(j) Solicitor's permit regardless of any other provision of law, solicitor's permits shall be issued only at the discretion of the Commissioner-----	\$ 100
(k) Filing fee for each application except for an employee identification card-----	\$ 25
(l) Temporary Permit, Class 1, each-----	\$ 10
(m) Temporary Permit, Class 2, each-----	\$ 50
On-premises purchases exceeding \$5,000 and for each additional \$5,000, or fraction thereof-----	\$ 225
(n) (i) Caterer's permit-----	\$ 600
On purchases exceeding \$5,000 and for each additional \$5,000, or fraction thereof-----	\$ 250
(ii) Caterer's permit for holders of on-premises retailer's permit-----	\$ 150
On purchases exceeding \$5,000 and for each additional \$5,000, or fraction thereof-----	\$ 250
(o) Research Permit-----	\$ 100
(p) Filing fee for each application for an employee identification card-----	\$ 5

Code Section 27-71-7 provides for the following:

- (1) Excise tax on each case of alcoholic beverage sold:
- |   |    |                 |
|---|----|-----------------|
| (a) Distilled spirits-----  | \$ | 2.50 per gallon |
| (b) Sparkling wine and champagne-----   | \$ | 1.00 per gallon |
| (c) Wines in which 51% or more of the finished product by volume is obtained from the<br>fermentation of vitis rotundifolia grapes----- | \$ | .35 per gallon  |
| (d) Other wines-----  | \$ | .35 per gallon  |

(2) A mark-up of 3% is added to all alcoholic beverages. The revenue is used by the Division of Alcohol and Drug Abuse of the State Department of Mental Health and public or private centers or organizations solely for the treatment and rehabilitation of alcoholics and alcohol abusers

Code Section 27-71-11 states that the Commission shall add to the cost of alcoholic beverages a mark-up of 27½ %, inclusive of the 3% mark-up imposed by Section 27-71-7(2).

Section 67-5-13 levies an annual privilege license tax in an amount equal to \$10.00 for each 10,000 gallons, or any part thereof, of native wine produced by a native winery.

## BEER AND LIGHT WINES

### MISCELLANEOUS TAX BUREAU

#### Permits (27-71-301)

Wholesaler and retailer – permits approved and issued by State Tax Commission.

#### Licenses (27-71-303)

Retailers—per location	\$	30
Wholesalers or distributors—per county	\$	100
Manufacturers—per each business	\$	1,000
Brewpubs--per each business	\$	1,000

Cities or counties where the business is located may collect 50% of state license fee.

#### Excise (27-71-307)

42.68 cents per gallon on light wines and beer. Paid by wholesalers on shipments received in state.

## CERTIFICATE OF TITLE

### FOR A MOTOR VEHICLE or MANUFACTURED HOME

#### TITLE BUREAU (63-21-1)

Prepared by a "Designated Agent", who forwards the application to the State Tax Commission in Jackson. "Designated Agents" include all County Tax Collectors and all licensed Auto Dealers, plus certain lending institutions.

Motor Vehicles

\$ 5

Manufactured Homes	\$ 9
Fast Track – title issued within 72 hours of receipt by State Tax Commission	\$30

**CITY UTILITY**  
**SALES/USE TAX BUREAU**  
**(21-33-201 TO 21-33-211)**

Collected from all telephone or communication utilities regulated under Section 77-3-1, Mississippi Code of 1972, a tax equal to 2% of the gross amount of revenue made and collected on local business from customers within the corporate limits of any municipality of this state, which qualifies as provided by the City Utility Tax Law. Such tax is added to the sales price of the utility service and is collected from the consumer. This tax is paid to the State Tax Commission who transfers the amount collected, less 5% to defray the cost of carrying out the provisions of the City Utility Tax Law, to the municipality in which collected.

**CORPORATE AND NON-CORPORATE ORGANIZATION**  
**AND QUALIFICATION**  
**SECRETARY OF STATE**

Corporations and other organizations doing business in this state are required to be in compliance with the requirements of the Mississippi Secretary of State. For more information, including fees, please see their web site [www.sos.state.ms.us](http://www.sos.state.ms.us).

**CORPORATION FRANCHISE**  
**INCOME TAX BUREAU**  
**(27-13-5)**

There is a tax on the book value of capital (capital stock, undivided profits, surplus and true reserves) employed in state or assessed value of property in Mississippi, whichever is greater at the rate of \$2.50 per \$1,000 (minimum \$25). Reported on the combination return with corporate income tax due 2½ months after fiscal year end.

**ESTATE**  
**MISCELLANEOUS TAX BUREAU**  
**(27-9-5)**

Assessed on net estate at rates varying from 1% to 16% depending on the size of the estate, but the amount due shall not be less than the State Death Tax Credit allowed on the Federal Estate Tax Return under 26 U.S.C. 2011. There is an exclusion amount for all decedents dying on or after January 1, 2002 in the amount of the applicable exclusion established under 26 USC 2010. For decedents dying on or after October 1, 1988 there is a deduction for any properties passing to a surviving spouse which would qualify as deductible under Section 2056 of the IRS Code of 1986. Deductions for dependent's support granted by the chancery court are allowed in addition to debts, certain charitable deductions and costs of administration. This is effective for decedents dying before January 1, 2005.

**GAMING LICENSE FEES**  
**MISCELLANEOUS TAX BUREAU**  
**Application Fee**  
**(Gaming Establishment)**  
**(75-76-183)**

Due before or at time of application - \$5,000.00.

**License Fee**  
**(Gaming Establishment)**  
**(75-76-183)**

Due at issuance of license and annually thereafter on anniversary date of license - \$5,000.00.

**(75-76-79)**

Annual license fee- manufacturer	\$ 1,000.00
Annual license fee- distributor	\$ 500.00

Due before issuance of license and annually thereafter on anniversary date of license.

**License Fee Based on Number of Games**  
**(75-76-191)**

Due before or at time of application, then annually on anniversary date of license.

1 Game	\$50
2 Games	\$100
3 Games	\$200
4 Games	\$375
5 Games	\$875
6 to 7 Games	\$1,500
8, 9 or 10 Games	\$3,000
11-16 Games	\$500 each Game (From one to sixteen)
17-26 Games	\$8,000 Plus \$4,800 each Game (From 17 to 26)
27-35 Games	\$56,000 Plus \$2,800 each Game (From 27 to 35)
Over 35 Games	\$81,200 Plus \$100 each Game (Over 35)

**Gross Revenue Fee**  
**(75-76-177)**

Due by 20th of succeeding month in which fees accrue.

First \$50,000 Gross Revenue	4%
Next \$84,000 Gross Revenue	6%
All Gross Revenue over \$134,000	8%

**Municipal/County Fee**  
**\*If applicable**



**(75-76-195)**

Due by 20th of succeeding month in which fees accrue.

First \$50,000 Gross Revenue	4/10%
Next \$84,000 Gross Revenue	6/10%
All Gross Revenue over \$134,000	8/10%

Location	Authorized by	Levy
<b>Adams County</b>	<b>(SB3353, 1994)</b>	Authority to impose a tax on monthly gross revenue not to exceed 3.2% from any facility outside the municipal limits of Natchez.
<b>Bay St. Louis, City of</b>	<b>(HB1695, 1991)</b>	\$100 per gaming device annual tax.
<b>Biloxi, City of</b>	<b>(HB1504, 1992)</b>	\$150 per gaming device annual tax. 3.2% monthly gross revenue tax.
<b>Coahoma County</b>	<b>(SB3305, 1994)</b>	3.2% monthly gross revenue tax. \$150.00 per gaming device.
<b>D'Iberville, City of</b>	<b>(HB1505, 1992)</b>	Authority to impose monthly fee not to exceed 3.2% of the gross revenue, and annual license tax not to exceed \$150.00 upon each gaming device.
<b>Gulfport, City of</b>	<b>(HB1520, 1992)</b>	3.2% monthly gross revenue tax. License tax of \$250.00 per card game or table game, and license fee of \$100.00 for each slot machine.
<b>Hancock County</b>	<b>(HB1633, 1993)</b>	3.2% monthly gross revenue fee. License tax of \$100.00 per each gaming device.
<b>Harrison County</b>	<b>(SB3358, 1994)</b>	Authority to impose a tax on monthly gross revenue not to exceed 3.2% from any facility outside municipal limits; and annual license fees not to exceed \$150.00 per gaming device.
<b>Natchez, City of</b>	<b>(SB3117, 1993)</b>	3.2% of gross revenue.
<b>Tunica County</b>	<b>(HB930, 1994)</b>	3.2% monthly gross revenue tax.
<b>Vicksburg, City of and Warren County</b>	<b>(SB3129, 1993)</b>	3.2% gross revenue. Annual license fee of \$150 per gaming device.
<b>Washington County</b>	<b>(HB 1907, 1997)</b>	3.2 % monthly gross revenue tax.

## HAZARDOUS WASTE AND NON HAZARDOUS SOLID WASTE

**MISCELLANEOUS TAX BUREAU****(17-17-53, 17-17-219)**

Annual reports and fees are due July 15 from each commercial hazardous waste management facility for wastes managed by that facility the preceding calendar year. Fees are based on the following schedule:

- (1) \$10.00 per ton for hazardous waste generated and disposed of in the state by landfilling or any other means of land disposal, and for hazardous waste generated and stored for more than one year in the state.
- (2) \$2.00 per ton for hazardous waste generated and treated in the state, and for hazardous waste generated and stored for less than one year in the state.
- (3) \$1.00 per ton for hazardous waste generated and recovered in the state.
- (4) A fee equal to the per ton fee imposed by the state of origin on all hazardous waste generated outside of the state and received at a commercial hazardous waste management facility in this state. In no event may the per ton fee be less than the fees imposed in 1-3.

Beginning July 1, 1991, all commercial nonhazardous solid waste facilities located in the state shall pay to the State Tax Commission a fee equal to the fee imposed by the state of origin on all nonhazardous solid waste received and managed by that facility for the previous calendar year.

Effective on January 1, 1992, every commercial nonhazardous solid waste management facility managing municipal solid waste shall pay annually on July 15 a fee of \$1.00 per ton on all municipal solid waste generated and managed in the state by landfilling or incineration. That facility shall pay an amount equal to the greater per-ton fee imposed on the management of out-of-state nonhazardous solid waste by the state of origin of such waste, or this state.

**INCOME****INCOME TAX BUREAU****(27-7-15)**

Income tax is due on the net taxable income of individuals, corporations, estates and trusts. Individual and fiduciary returns are due April 15th or 3½ months after the fiscal year end. Corporate returns are due 2½ months after the year-end.

**Retirement Income****(27-7-5)**

Effective January 1, 1994, qualified retirement income is exempt.

**Income Tax Rates****Per Taxpayer**

3% on the first \$5,000 of taxable income,  
4% on the next \$5,000 of taxable income,  
5% on taxable income in excess of \$10,000.

**Exemptions****(27-7-21)**

Single individuals	\$ 6,000
Married individuals (jointly)	\$ 12,000
Married individuals (separately)	\$ 6,000
Head of family, individuals	\$ 9,500
Dependents (as defined by Section 152, IRC)	\$ 1,500
Age 65 and over	\$ 1,500
Blind	\$ 1,500
Estate	\$ 600
Trust required to distribute all income concurrently	\$ 300
All other trusts	\$ 100

The personal exemptions for married individuals living together increased as follows:

January 1, 1998 - increased from \$9,500 to \$10,000  
 January 1, 1999 - increased from \$10,000 to \$11,000  
 January 1, 2000 - increased from \$11,000 to \$12,000

### **Deductions (27-7-17)**

Itemized deductions allowed are the same as those allowed by the Federal Tax Law, but reduced by state income tax deduction and Mississippi gaming losses

Standard deductions, in lieu of itemized:

Single individuals	\$ 2,300
Married individuals (jointly)	\$ 4,600
Married individuals (separately)	\$ 2,300
Head of family, individuals	\$ 3,400

### **Withholding (27-7-305)**

Every employer making payment of wages to employees (resident and nonresident) within the state is required to withhold taxes on the basis of withholding tables provided.

### **Estimates (27-7-319)**

Quarterly payments are required of each individual having an annual income tax liability of \$200.00 or more and who do not have at least 80% withheld through withholding tax.

Corporations are required to make quarterly payments of at least 90% of their tax liability for the year.

### **3% Gaming Withholding (27-7-901 & 903)**

Non refundable income tax of three percent (3%) is levied upon amounts paid or credited by gaming establishments in Mississippi. No credit is allowed as withholding on the individual income tax return. Losses from Mississippi casinos may not be deducted. A non-resident whose only income producing activity in the state is from gaming should not file an income tax return.

## **INSURANCE**

### **DEPARTMENT OF INSURANCE**

### **Admission Fees**

**(83-5-73; 83-12-1; 83-19-21; 83-21-1)**

Each insurance company must file Articles of Incorporation, a preliminary financial statement and appoint legal process Agents according to prescribed fees.

**Annual Statements****(83-5-55)**

Stock fire and casualty companies, title companies, mutual fire and casualty companies, lloyds associations, reciprocals, life companies, and fraternal societies must file their Annual Statements on or before March 1st of each year.

**Annual Licenses and Fees****(27-15-83; 83-5-73; 83-5-77)**

Life companies, fraternal societies and their agents renew their licenses as of January 1st of each year. Blood service plans renew their licenses as of January 1st of each year. All fire and casualty companies, title companies, lloyds, reciprocals, burial associations renew their licenses as of June 1st of each year. Automobile clubs and their agents renew their licenses as of April 1st of each year.

Life companies and fraternal societies pay filing and publishing fees as of January 1st of each year with their license fees. All fire and casualty companies, title companies, lloyds, and reciprocals pay filing and publishing fees as of June 1st of each year with their license fees.

Checks in payment of the above licenses and fees should be made payable to the MISSISSIPPI INSURANCE DEPARTMENT and forwarded to Post Office Box 79, Jackson, Mississippi 39205.

**Mobile Home Fees****(27-53-5)**

State Fire Marshal's Office collects a License fee of \$50.00 on all mobile home dealers and \$125.00 on manufacturers operating in the state.

Department of Housing and Urban Development pays the Department of Insurance \$12.00 per new manufactured home whose first location after leaving the manufacturing plant is on the premises of a distributor, dealer, or purchaser in the State.

**Yazoo-Mississippi Delta Levee District****Mississippi Levee District****(27-15-5)**

Companies doing business in the Yazoo-Mississippi Delta Levee District as subject to an additional Privilege Tax as prescribed by law.

**INSURANCE PREMIUM TAX****MISCELLANEOUS TAX BUREAU****(27-15-103 to 27-15-127)**

A privilege tax on the gross amount of premium receipts received on policies written, or covering risks within Mississippi to be paid to the STATE TAX COMMISSION on a quarterly basis at 3% of net direct premium receipts. Annuity policies and contracts written in or covering risks in Mississippi shall be taxed at 1% from July 1, 1994 through June 30, 1995 and exempt thereafter. Receipts received from policies and contracts issued to fund a retirement, thrift or deferred compensation plan qualified under Section 401, Section 403, an individual retirement annuity qualified under Section 408 or Section 457 of the Federal Tax Code which shall be exempt from taxation, unless taxable in the company's state of domicile.

**CREDITS:** Credits may be taken, against the premium tax, for income tax paid to the State of Mississippi for the preceding calendar year, not to exceed the amount of premium tax (both foreign and domestic companies). Credits against premium tax may be taken for investments in Mississippi. Amount depends on percentage of investment.

**GUARANTY ASSOCIATION CREDIT:** Class B assessment paid to the Mississippi Life and Health Insurance Association after July 1, 1991, through June 30, 1993, may be used as credit at 25% of the assessment over the next two succeeding years. Class B assessments paid after July 1, 1993, are at 20% over the next five years. Any unused credit may be carried forward until used.

### **Firemen and Policemen Fund (21-29-229)**

A tax is levied on ½ of 1% gross fire premiums in the City of Jackson and is remitted to this special fund.

## **ROAD AND BRIDGE PRIVILEGE TAX MOTOR VEHICLE LICENSING BUREAU (27-19-et.al)**

Tax collectors in each county sell and issue license tags and decals for automobiles, church buses, taxicabs, ambulances, hearses, motorcycles, private trailers, house trailers, rental trailers, and property carriers with a GVM of 10,000 lbs. and less, as well as vehicles owned by a road, drainage or levee district. Road and bridge privilege and ad valorem taxes on the vehicles are due upon purchase or renewal of license tags payable to the county tax collector.

License tag application for property carries with a GVM greater than 10,000 lbs. can be filed with the respective county tax collectors and forwarded to the State Tax Commission for issuance. Interstate carriers apply for an apportioned tag and intrastate carriers apply for a straight Mississippi tag. Road and bridge privilege taxes are due upon purchase or renewal of license tags payable to the State Tax Commission and vary according to weight, age, class, use, mileage (apportioned) and seating capacity (buses).

Interstate vehicles apply for an apportioned tag because Mississippi is a member of the International Registration Plan which provides that trucks and buses operating interstate may obtain an apportioned license tag, the fee for which is based upon the percentage of miles a vehicle or fleet operates in each member state and particular member state's tax rate.

The State Tax Commission also accepts applications for license tags for tax exempt government owned vehicles and applications for Motor Vehicle Dealer Permits.

Trip permits for property carriers with a GVW greater than 10,000 lbs. which are not properly registered with Mississippi that wish to travel on Mississippi highways can be obtained for \$25.00 for 72 hours, from the Mississippi Department of Transportation.

Permits for oversize movements require Mississippi Department of Transportation approval and cost \$10.00. Overweight permits must be approved by the Mississippi DOT as well and fees vary at a rate of 5cents per mile per \$1,000 lbs.

### **Legislative Tag Credit**

**(27-51-101)**

All Mississippi residents who own passenger carriers and light property carriers that have ad valorem taxes assessed against them are eligible for a credit against the purchase of their car tag. This credit is based on the assessed value of the vehicle. For the fiscal year ending June 30, 2004, the credit is 5% of the assessed value of the motor vehicle. This is a credit for the taxpayer, however, the county is reimbursed for the loss from this credit with monies from the Motor Vehicle Ad Valorem Tax Reduction Fund. The Motor Vehicle Ad Valorem Tax Reduction Fund is financed by the sale tax revenue collected on passenger carriers and light property carriers. Each year the State Tax Commission must determine the percentage of credit based on the amount of money in the Motor Vehicle Ad Valorem Tax Reduction Fund.

**Aircraft Registration  
(61-15-1)**

All aircraft based and operated from any airport in this state are required to be registered by the owner or person in charge of such aircraft on or before March 1st of each year. The registration fee is based upon the FAA certified gross weight of the aircraft, type of aircraft, type and number of engines. As of January 1, 1995, aircraft registration will be handled by the County Tax Collector.

**Personalized Tags  
(27-19-48)**

Personalized license plates may be obtained by application to the County Tax Collector. The fee is \$31 annually.

**MOTOR VEHICLE RENTAL TAX  
SALES/USE TAX BUREAU  
(27-65-231)**

This Section levies a tax upon every person engaging or continuing in this state in the business of renting motor vehicles under rental agreements with a term of not more than 30 continuous days each. The tax is at the rate of 6% of the gross proceeds of such business derived from the rental of motor vehicles and is effective July 1, 1991. "Motor vehicle" is defined as any self-propelled, wheeled conveyance that does not run on rails. Motor vehicles with a gross vehicle weight exceeding 10,000 pounds are excluded from the measure of the tax. **THIS TAX IS IN ADDITION TO THE 5% SALES TAX ON RENTAL OF SUCH VEHICLES PROVIDED BY SECTION 27-65-23.**

**PETROLEUM TAXES  
PETROLEUM TAX BUREAU**

The Petroleum taxes are levied on any person engaged in business in Mississippi as a distributor of gasoline, diesel fuel, kerosene, jet fuel, lubricating oil or compressed gas. A distributor is any person who receives, imports, acquires, purchases, sells or distributes any of the aforesaid petroleum products on which the petroleum excise taxes have not been paid. Such person is required to obtain distributor's permits from the State Tax Commission and to post a bond in the amount determined by the Commission.

**I. Taxable Products:****A. Automotive Gasoline (Section 27-55-11)**

1. The tax rate is 18 cents per gallon. The tax applies to all gasoline received in the State by a distributor.

2. Seawall Tax- Harrison, Hancock, and Jackson counties are authorized to levy an additional tax on all gasoline sold in said counties. Such taxes are collected by the State Tax Commission and accrue when gasoline is delivered into these counties for resale or use. The tax rates are Harrison County - 3 cents per gallon, Jackson County - 3 cents per gallon, and Hancock County - 3 cents per gallon.

B. Aviation Gasoline (Section 27-55-5 & 27-55-11)

Aviation gasoline is gasoline manufactured according to ASTM D910 specifications for use in piston engine aircraft. The tax rate on aviation gasoline is 6.4 cents per gallon. The tax applies to all aviation gasoline received in the State by a distributor.

C. Special Fuel (Section 27-55-501 et seq.)

1. Diesel fuel is taxable under the provisions of the Special Fuel Tax Law when received in the State by a distributor. The tax rates are:

Undyed diesel fuel – 18 cents per gallon.

Dyed diesel fuel -- 5.75 cents per gallon.

Kerosene – 5.75 cents per gallon.

Fuel oil -- 5.75 cents per gallon.

Jet fuel -- 5.25 cents per gallon.

2. Diesel fuel sold for use in performing contracts with the State of Mississippi or any political subdivision, agency or institution thereof is taxable at a rate of 18 cents per gallon.

D. Lubricating Oil (Section 27-57-1 et seq.)

Lubricating oil is defined as all petroleum-based oils or synthetic lubricants intended for use in the crankcase of an internal combustion engine. The tax rate is 8 cents per gallon and accrues when lubricating oil is sold by a Class A Lubricating Oil Distributor.

E. Compressed Gas (Section 27-59-1 et seq.)

1. Compressed gas is defined as liquefied compressed gas, liquefied natural gas, and compressed natural gas.
2. Liquefied compressed gas includes butane, propane, ethane and any other such gases having a vapor pressure exceeding 40 PSI absolute at 100 degrees Fahrenheit.
3. The tax rate on all compressed gas, except liquefied natural gas and compressed natural gas, is  $\frac{1}{4}$  cents per gallon. The tax applies to all compressed gas, except liquefied natural gas and compressed natural gas, received in the State by a distributor. Also, an assessment of  $\frac{1}{10}$  cent per gallon is levied on all compressed gas except liquefied natural gas and compressed natural gas.
4. The tax rate on compressed gas, except liquefied natural gas and compressed natural gas, sold for use on the highways as a motor fuel is 17 cents per gallon. These rates include the  $\frac{1}{4}$  cents per gallon tax.
5. The current tax rate on liquefied natural gas and compressed natural gas sold for use on the highways as a motor fuel is 18 cents per 100 cubic feet (CCF).
6. The taxes on compressed gas sold for use on the highways do not apply to persons holding permitted Compressed Gas Users Decals.

II. EXEMPTIONS

A. Governmental

The United States Government, the State of Mississippi, counties, municipalities, school districts and all other political subdivisions of the State shall be exempt from the excise taxes on gasoline, diesel fuel and compressed gas used as a motor fuel as follows:

Gasoline -- 5.4 cents per gallon.

Diesel Fuel -- 4.75 cents per gallon.

Compressed gas – 3 cents per gallon.

**B. Gasoline Tax**

All exemptions from the full tax rate other than exports or sales to the Armed Forces must be approved by the Commission before a deduction for the exemption may be taken. The full amount of the excise tax on such gasoline must be paid to the Commission before the exemption claim is submitted.

Gasoline is subject to an exemption when:

1. Sold or delivered by a permitted distributor to another permitted distributor. The third distributor receiving the gasoline must pay the tax and cannot sell the gasoline tax free to another distributor.
2. Sold to the Armed Forces and delivered in quantities of 4000 gallons or more.
3. Sold to a refinery or processor.
4. It becomes a component of a manufactured product.
5. Sold to a testing laboratory.
6. Exported to another state.

Exemptions for gasoline exported to another state and for gasoline sold to the Armed Forces may be deducted, without the prior approval of the Commission, in the same month the transaction occurs. Certification of payment of taxes by the state to which the gasoline was exported must be furnished within 90 days otherwise the exemption is disallowed.

**C. Special Fuel Tax**

Diesel fuel, kerosene, fuel oil, and jet fuel are exempt from the Special Fuel Tax when:

1. Sold or delivered by a permitted distributor to another permitted distributor. The third distributor receiving the Special Fuel must pay the tax and cannot sell the Special Fuel tax free to another distributor.
2. Exported to another state.
3. Sold to the Armed Forces in quantities of 4,000 gallons or more.
4. Sold for use as a herbicide, insecticide, wood preservative or for use in a manufacturing process where it becomes a component part of a finished product.
5. Sold for use in generating electricity or for use as a boiler fuel.
6. Sold for use in boats and ships or sold to the holder of a Marine Dealers for resale as fuel for ships and boats.
7. Sold for use as fuel in railroad locomotives.

**D. Compressed Gas Tax**

Compressed gas is exempt when:

1. Sold by a permitted distributor to another permitted distributor. The third distributor receiving the compressed gas must pay the tax and cannot sell the compressed gas tax free to another distributor.
2. Exported to another state.
3. Sold to the Armed Forces in quantities of 4,000 gallons or more.

The taxes on compressed gas sold for use on the highways do not apply to persons holding permitted compressed gas users decals.

**E. Lubricating Oil Tax**

- a. Lubricating oil is exempt when:



1. Sold by a Class A distributor to another Class A distributor.
2. Exported to another state.
3. Sold to the Armed Forces in quantities of 50 gallons or more.
4. Sold for use in boats, ships and railroad locomotives when delivered in quantities of 50 gallons or more.

### III. Compressed Gas Decals

Any person using compressed gas as a motor fuel on highways is required to purchase compressed gas decal for each vehicle.

The decal fee for vehicles with a gross license tag weight of 10,000 lbs. or less is \$195.00 per year.

Persons operating vehicles with gross license tag weights greater than 10,000 lbs., are subject to an excise tax of 17 cents per gallon on all liquefied compressed gas and 18 cents per 100 cubic feet (CCF) on all compressed or liquefied natural gas used. The owners or operators of such vehicles shall annually prepay the aforesaid taxes as follows:

1. Vehicles with a weight greater than 10,000 lbs. to 20,000 lbs.	\$225
2. Vehicles with a weight greater than 20,000 lbs.	\$300
3. Vehicles having "F" (farm) tags with a weight greater than 10,000 lbs.	\$150

All persons having Class II or Class III compressed gas decals are required to file annual reports.

The commission may authorize or require persons operating 5 or more vehicles that use compressed gas as a motor fuel to pay the applicable taxes on any compressed gas purchased in lieu of decal fees.

### IV. Interstate Carriers

Persons operating a motor vehicle with a gross weight exceeding 26,000 lbs., three or more axles or a truck-trailer combination with a gross weight exceeding 26,000 lbs. on the highways of this State are subject to a privilege tax equal to the excise tax rates on gasoline, diesel fuel or compressed gas. Such taxes shall be paid by one of the following methods:

- i. Purchasing a sufficient quantity of fuel in this State to operate the motor vehicle in this state.
- ii. Obtaining an International Fuel Tax Agreement License and filing quarterly tax reports.

### V. Refund Gasoline (Section 27-55-23)

Persons using gasoline, other than aviation gasoline for non-highway purposes are entitled to a refund of all but 6.4cents per gallon of the tax paid on the gasoline. Such person must apply to the Tax Commission for a refund permit, before purchasing refund gasoline.

Refund claims must be filed no later than three years from the date the gasoline was purchased. A completed refund certificate along with an invoice indicating "refund gasoline-dye added" must be submitted with the claim for refund. No refund will be allowed unless the gasoline was purchased from a refund gasoline dealer.

The refund gasoline user's storage tank must be clearly marked "refund gasoline".

### VI. Environmental Protection Fee

There is an Environmental Protection Fee of 4/10 cents per gallon levied on motor fuels for the support of the Mississippi Groundwater Protection Trust Fund. Motor fuels are defined as gasoline, aviation gasoline, diesel fuel, kerosene, fuel oil and jet fuel, except when used in electric power generating plants for the commercial production of electricity. The environmental protection fee is levied on all bonded distributors. The fee accrues when a bonded distributor sells or delivers motor fuels to a retail dealer or user. A "retail dealer" is any person other than a bonded distributor who sells any motor fuel products. A "user" is any person who purchases or acquires any motor fuels for consumption.

The fee will be in effect until the unobligated balance of the Mississippi Groundwater Protection Trust Fund reaches or exceeds ten million dollars. The fee is reimposed when the unobligated balance falls below six million dollars. The Commission will provide notice of the abatement or reimposition of the fee.

#### VII. Natural Gas, Compressed Gas and Locomotive Fuel User's Tax

An excise tax is imposed upon any person using natural gas or compressed gas as a fuel in oilfield and gasfield production pumps, pipeline compressors or pumping stations or in engines or motors used for industrial purposes by a manufacturer or custom processor. These taxes will be reported and paid directly to the State by the person using the product.

The tax rates are:

Natural gas used in oilfield and gasfield production pumps	12 cents per 1,000 cubic feet
Natural gas used in pipeline compressors or pumping stations or for industrial purposes	3 cents per 1,000 cubic feet
Compressed gas used in oilfield and gasfield production pumps	2 cents per gallon
Compressed gas used in pipeline compressors or pumping stations or for industrial purposes	½ cents per gallon

An excise tax at a rate of  $\frac{3}{4}$  cents per gallon is imposed upon any person using locomotive fuel in a railroad locomotive in this State. The tax will be reported and paid directly to the State by the person using the locomotive fuel.

## PRIVILEGE, LOCAL

### LOCAL GOVERNING AUTHORITIES

The local privilege tax on specified businesses and occupations are COLLECTED BY COUNTY AND CITY TAX COLLECTORS.

## PRIVILEGE, STATEWIDE

### MISCELLANEOUS TAX BUREAU

#### Finance Companies

#### (27-21-1)

Upon finance companies in lieu of other privilege taxes -  $\frac{1}{4}$  of 1% of total receivables secured by tangible personal property in state. (Credit against income tax.)

## Contractors

### STATE BOARD OF PUBLIC CONTRACTORS

#### (31-3-1)

Certificate of Responsibility \$100

Required for public projects in excess \$50,000 and private projects in excess of \$100,000. Paid to State Board of Public Contractors.

**ASSESSED UTILITIES**  
**OFFICE OF PROPERTY or LOCAL GOVERNING AUTHORITIES**  
**(27-15-151)**

Electric	Per mile of pole line \$22.50
Pipeline	Per mile of pipeline \$15 to \$125
Railroad	Per mile of railroad \$5 to \$90
Telephone	per telephone 4 cents

**PUBLIC UTILITIES**  
**MISCELLANEOUS TAX BUREAU**  
**Public Utilities Regulatory Tax**  
**(77-3-87)**  
**House Bill 1555**

The gross intrastate state revenue of all regulated public utilities is annually taxed at the rate of 90/1000 of 1% on EPA'S and 164/1000 of 1% on other taxable utilities. The tax is determined by legislative appropriations annually and any tax collections in excess of that amount will be refunded to the taxable utilities on a prorated basis.

**Railroad Regulatory Tax**  
**(77-9-493)**

Assessed to railroads a fee of \$201,000 annually which is prorated among railroad companies based upon miles of track.

**Municipal Gas Utility Tax**  
**(77-11-201)**

Assessed to municipally owned or operated gas utilities a fee of \$25,000 annually which is prorated among the municipalities based on gross revenue.

**SALES**  
**SALES/USE TAX BUREAU**  
**Rates of Tax:**

Applies to: Those engaged in any business in Mississippi as set forth below.

Rate of Tax: The tax is based on gross proceeds of sales or gross income depending upon the type of business done, as follows:

- A. Selling (27-65-17 & 27-65-25):  
    (1) Retail Sales:

Farm tractors to farmers -----	1%
Sales to electric power associations -----	1%
Certain machinery, machine parts and equipment located on and used in the operation of certain publicly owned port facilities -----	1½%
Manufacturing machinery, certain port facility equipment -----	1½%
Automobiles and light trucks (10,000 lbs. or less) and motor homes -----	5%
Trucks (greater than 10,000 lbs.), aircraft, farm implements, semi-trailers and mobile homes -----	3%
Materials to railroads for use in track and track structures -----	3%
Other tangible personal property including alcoholic beverages and beer -----	7%
(2) Wholesale Sales:	
Alcoholic beverages and beer -----	7%
Food and drink- full service vending machines -----	8%
B. Construction Contracting (27-65-21):	
When the total contract price or gross amount received exceeds \$10,000 (except residential construction) -----	3½%
Manufacturing machinery included in contract -----	1½%
C. Producing (27-65-15):	
(1) When sold at retail:	
Limestone, sand, gravel, dirt, coal, lignite and other mineral products or natural resources, except oil, natural gas, salt and forest products (severance tax levied on oil, natural gas, salt and forest products under separate statutes) -----	7%
(2) When sold at wholesale or exempt, or used by the producer as a component material in a taxable contract (Section 27-65-21):	
Sand, gravel, dirt, clay and limestone -----	7%; (maximum 5 cents per ton)
D. Floating Structures (27-65-18):	
Floating structures shall include, but not limited to, casinos, floating restaurants, floating hotels, and similar property.	
Sales of component tangible personal property that becomes permanently installed and performance of construction activities -----	3½%
E. Public Utilities (27-65-19):	
Telephone and telegraph (including prepaid calling cards) -----	7%
Interstate Telecommunications Services (effective 08/01/02) -----	7 %
Intrastate Telecommunications (Including local service) -----	7%
Electricity and gas- Residential use -----	0%
Water- Residential consumption -----	0%
Water- Commercial or industrial use -----	7%
Electricity and gas- Commercial use -----	7%
Electricity and fuels- Industrial use -----	1½%
Electricity and fuels – used in the production of electric power for sale, is subject to the following rates:	
From and after 07/01/03-----	Exempt
F. Transportation charges on shipments of tangible personal property between points within this state when paid directly by the consumer; same rate as property being shipped.	
G. Amusements and recreational business (27-65-22):	
Admissions to amusements conducted in a public or private building, hotel, tent, pavilion, lot or resort, enclosed or in the open -----	7%
Admissions to amusements conducted in publicly owned enclosed coliseums and auditoriums (except admissions to athletic contests between colleges and universities) -----	3%

## H. Miscellaneous specified business (27-65-23 &amp; 27-65-231):

Air conditioning installation or repairs; Automobile, aircraft, motorcycle, boat or any other vehicle repairing or servicing; Billiards, pool, or domino parlors; Bowling or tenpin alleys; Burglar and fire alarm systems or services; Car washing-automatic, self-service, or manual; Computer software, sales & services; Cotton compresses or cotton warehouses; Custom creosoting or treating, custom planing, custom sawing; Custom meat processing; Electricians, electrical work, wiring, all repairs or installation of electrical equipment; Elevator or escalator installing, repairing or servicing; Film developing or photo finishing; Foundries, machine or general repairing, Furniture repairing or upholstering; Grading, excavating, ditching, dredging or landscaping; Hotels, motels, tourist courts or camps, trailer parks; Insulating services or repairs; Jewelry or watch repairing; Laundering, cleaning, pressing or dyeing; Marina services; Mattress renovating; Office and business machines repairing; Parking garages and lots; Plumbing or pipe fitting; Public storage warehouses (**Excluding the temporary storage of tangible personal property in this state pending shipping or mailing of the property to another state.**); Refrigerating equipment repairs; Radio or television installing, repairing, or servicing; Services performed in connection with geophysical surveying, exploring, developing, drilling, producing, distributing, or testing of oil, gas, water and other mineral resources; Shoe repairing; Storage lockers; Telephone answering or paging services; Termite or pest control services; Tin and sheet metal shops; TV cable systems, subscription TV services, and other similar activities; Vulcanizing, repairing or recapping of tires or tubes; Welding; and Woodworking or wood turning shops -----

7%

Renting or leasing tangible personal property – same rate that is applicable to the sale of like property.

Cotton gins (Rescinded effective July 1, 1997)

Renting, for not more than 30 days, motor vehicles with a gross weight of 10,000 lbs. or less. This tax is in addition to the 5% sales tax levied by Section 27-65-23. -----

6%

## Sales Tax Exemptions:

No exemptions provided in these sections shall apply to taxes levied by section 27-65-15 (Production Tax) or 27-65-21 (Contractor's Tax).

### A. Agricultural (27-65-103)

- (1) Sales of cotton, cottonseed and soybeans in original condition, bagging and ties for cotton, hay baling wire and twine, boxes, crates, bags and cans used in growing or preparing agricultural products for market when possession thereof will pass to the customer at the time of sale of the product contained therein. Sales of ice to commercial fishermen purchased for use in the preservation of seafood or producers for use in the refrigeration of vegetables for market.
- (2) Sales of farm products (other than ornamental plants) by the producer, except when sold by the producer through an established place of business.
- (3) Retail sales of livestock.
- (4) All retail sale of seeds, livestock feed, poultry feed, fish feed and fertilizers. Sales of defoliants, insecticides, fungicides, herbicides and baby chicks used in growing agricultural products for market.
- (5) Income received from grading, excavating, ditching, dredging or landscaping activities performed for a farmer on a farm for agricultural or soil erosion purposes.
- (6) The gross proceeds of sales of drugs, medicines, serums, vaccines, vitamins, minerals, or other nutrients for use in the production and growing of fish, livestock, and poultry.

### B. Governmental (27-65-105):

- (1) Sales to the United States Government, State of Mississippi, its departments and institutions, counties and municipalities. The exemption does NOT apply on sales to national banks. This exemption applies on sales to federal credit unions but does NOT apply to state chartered credit unions.
- (2) Sales to the Mississippi Band of Choctaw Indians.

- (3) Sales to schools supported wholly or in part with funds provided by the State of Mississippi. This exemption does not apply to sales of property which is not to be used in the ordinary operation of the school, or which is to be resold to the students or the public.
- (4) Sales of fire-fighting equipment to governmental or volunteer fire departments.
- (5) Sales of any gas from any project, as defined in the Municipal Gas Authority of Mississippi Law, to any municipality.
- (6) Sales of home medical equipment and home medical supplies, when ordered or prescribed by a licensed physician for medical purposes of a patient, and paid under the provisions of the Medicare or Medicaid program. This exemption only applies to the portion paid for under the provisions of the Medicare or Medicaid program.
- (7) Purchases of machinery financed by industrial revenue bond proceeds, and bonds issued under the Mississippi Small Enterprise Development Finance Act.
- (8) Sales to Housing Authorities, contractors for Job Training Corp and the American Red Cross.
- (9) Sales of school textbooks to students.

**C. Industrial (27-65-101):**

- (1) Sales of containers to manufacturers and wholesalers to accompany goods sold where possession thereof will pass to the customer at the time of sale of the goods contained therein and sales of containers or shipping material for use in ships engaged in international commerce.
- (2) Sales of raw materials, catalysts, processing chemicals and welding gases to manufacturers for use in manufacturing a product for sale or rental or repairing or reconditioning vessels or barges of 50 tons load displacement and over. Electricity used directly in the electrolysis process in the production of sodium chlorate shall be considered a raw material. This exemption shall not apply to any property used as fuel except to the extent that such fuel comprises by-products that have no market value.
- (3) Sales by manufacturers of dry docks, offshore drilling equipment, vessels and barges of 50 tons load displacement and over, when sold by the manufacturer or builder thereof.
- (4) Repairs of vessels and barges used in interstate transportation or international commerce.
- (5) Sales to commercial fishermen of commercial fishing boats over 5 tons load displacement and not more than 50 tons load displacement.
- (6) Sales of containers or shipping material and tangible personal property for use or consumption on board ships engaged in international commerce.
- (7) Sales of machinery or tools or repair parts, fuel or supplies used directly in manufacturing, converting or repairing ships of 3,000 tons load displacement and over, but does not include office and plant supplies or other equipment not directly used on the ship being built, converted or repaired.
- (8) Sales of petroleum products to vessels or barges for consumption in marine international commerce or interstate transportation businesses.
- (9) Sales and rentals of rail rolling stock (and component parts thereof) for ultimate use in interstate commerce and gross income from services with respect to manufacturing, repairing, cleaning, altering, reconditioning or improving such rail rolling stock (and component parts thereof).
- (10) Sales of raw materials, catalysts, processing chemicals, welding gases or other industrial processing gases (except natural gas) used or consumed directly in manufacturing, repairing, cleaning, altering, reconditioning or improving such rail rolling stock (and component parts thereof). This exemption shall not apply to any property used as fuel.
- (11) Income from storage and handling of perishable goods or derived from the temporary storage of tangible personal property in this state pending shipping or mailing of the property to another state by a public storage warehouse.
- (12) The value of natural gas lawfully injected into the earth for cycling, repressuring or lifting of oil or lawfully vented or flared in connection with the production of oil.
- (13) The gross collections from self-service commercial laundering, drying, cleaning and pressing equipment.
- (14) Sales of component materials used in the construction of a building, or any addition or improvement thereon, sales of machinery and equipment to be used therein, and sales of manufacturing or processing machinery and equipment which is permanently attached to the ground or to a permanent foundation and which is not by its nature intended to be housed within a building structure, no later than 3 months after the initial start-up date, to permanent enterprises engaging in manufacturing

or processing in Tier Three areas (as defined in Section 57-73-21) which businesses are certified by the State Tax Commission as being eligible for the exemption granted in this paragraph.

(15) Sales of component materials used in the construction of a building, or any addition or improvement thereon, and sales of any machinery and equipment not later than 3 months after the completion of the building, addition or improvement thereon, to be used therein, for any company transferring its national or regional headquarters from outside the State of Mississippi and creating a minimum of 35 jobs at the new headquarters in this state.

(16) The gross proceeds from the sale of semi-trailers, trailers, boats, travel trailers, motorcycles and all-terrain cycles if exported from this state within 48 hours and registered and first used in another state.

(17) Gross income from the storage and handling of natural gas in underground salt domes and in other underground reservoirs, caverns, structures and formations suitable for such storage.

(18) Sales of machinery and equipment to nonprofit organizations if the organization: (i) is tax-exempt pursuant to Section 501(c)(4) of the Internal Revenue Code of 1986, as amended; (ii) assists in the implementation of the national contingency plan or area contingency plan, and which is created in response to the requirements of Title IV, Subtitle B of the Oil Pollution Act of 1990, P.L. 101-380; and (iii) engages primarily in programs to contain, clean up and otherwise mitigate spills of oil or other substances occurring in the United States coastal and tidal waters. For purposes of this exemption, "machinery and equipment" means any ocean-going vessels, barges, booms, skimmers and other capital equipment used primarily in the operations of nonprofit organizations referred to herein.

(19) Sales or leases of materials and equipment to approved business enterprises as provided under the Growth and Prosperity Act.

(20) From and after July 1, 2001, sales of pollution control equipment to manufacturers or custom processors for industrial use. For the purposes of this exemption, "pollution control equipment" means equipment, devices, machinery or systems used or acquired to prevent, control, monitor or reduce air, water or groundwater pollution, or solid or hazardous waste as required by federal or state law or regulation.

(21) Sales or leases to a manufacturer of motor vehicles operating a project that has been certified by the Mississippi Major Economic Impact Authority as a project as defined in Section 57-75-5(f)(iv)1 of machinery and equipment; special tooling such as dies, molds, jigs and similar items treated as special tooling for federal income tax purposes; or repair parts therefor or replacements thereof; repair services thereon; fuel, supplies, electricity, coal and natural gas used directly in the manufacture of motor vehicles or motor vehicle parts or used to provide climate control for manufacturing areas.

(22) Sales or leases of component materials, machinery and equipment used in the construction of a building, or any addition or improvement thereon to an enterprise operating a project that has been certified by the Mississippi Major Economic Impact Authority as a project as defined in Section 57-75-5(f)(iv)1 and any other sales or leases required to establish or operate such project.

(23) Sales of component material and equipment to a business enterprise provided under Section 57-64-33.

(24) Sales of component materials used in the construction of a building, or any addition or improvement thereon, sales of machinery and equipment to be used therein, and sales of manufacturing or processing machinery and equipment which is permanently attached to the ground or to a permanent foundation and which is not by its nature intended to be housed within a building structure, not later than 3 months after the initial start-up date, to permanent enterprises engaging in manufacturing or processing in Tier Two and Tier One areas (as defined in Section 57-73-21) which business are certified by the State Tax Commission as being eligible for the exemption granted in this paragraph, shall be exempt from  $\frac{1}{2}$  of the taxes imposed on such transactions under this chapter.

(25) Sales of equipment used in the deployment of broadband technologies from and after June 30, 2003 through July 1, 2013 shall be either exempt from  $\frac{1}{2}$  of the taxes if installed in Tier One counties or totally exempt from taxes if installed in Tier Two or Tier Three counties.

The above exemptions apply to sales of building materials, machinery and equipment when **SOLD** to qualified businesses. The sale must be made directly to the qualified businesses or company and payment therefor made by them in order for the exemption to apply. This exemption does not apply to the  $3\frac{1}{2}\%$  contractor's tax levied by Section 27-65-21.

Contractors may purchase component materials (building materials) to be used in construction contracts exempt from tax by furnishing their Material Purchase Certificate Number to the vendor. Contractors are liable for the  $3\frac{1}{2}\%$  contractor's tax on total compensation received, which includes these component materials.

Contractors who are **REGULARLY ENGAGED IN THE BUSINESS** of selling machinery and/or equipment may apply to the State Tax Commission for a Direct Pay Permit. This permit allows the contractors to purchase such machinery and

equipment exempt from tax and remit the proper tax directly to the State of Mississippi. The machinery and equipment must be separately identified from the construction contract and when sold to a business or company qualified under the above references is exempt from tax.

(26) The gross income from the stripping and painting of commercial aircraft engaged in foreign or interstate transportation business.

(27) Sales of production items used in the production of motion pictures such as film; videotape; component building materials used the construction of a set; makeup; fabric used as or in the making of costumes; clothing, including, shoes, accessories and jewelry used as wardrobes; materials used as set dressing; materials used as props on a set or by an actor; materials used in the creation of special effects; and expendable items purchased for limited use by grip, electric and camera departments such as tape, fasteners and compressed air. For the purposes of this paragraph (aa) the term "motion picture" means a nationally distributed feature-length film, video, television series or commercial made in Mississippi, in whole or in part, for theatrical or television viewing or as a television pilot. The term "motion picture" shall not include the production of television coverage of news and athletic events, or a film, video, television series or commercial that contains any material or performance defined in Section 97-29-103.

**D. Taxes (27-65-109):**

(1) Federal retailers' excise taxes and federal tax levied on income from transportation, telegraphic dispatches, telephone conversations and electric energy.

(2) State tax refunded on gasoline for non-highway use.

**E. Utility (27-65-107):**

(1) Sales of electricity, gas or other fuel and potable water for residential consumption.

(2) Sales to nonprofit water associations of property or services ordinary and necessary to the operation of the water association.

(3) Wholesale sales of utilities when such utilities are for resale to consumers.

(4) Sales and rentals of locomotives, rail rolling stock and materials for their repair, locomotive water, when made to a railroad whose rates are fixed by the Interstate Commerce Commission or the Mississippi Public Service Commission.

(5) Rentals of manufacturing machinery to manufacturers and custom processors who are engaged in, and machinery is used in, the manufacture of containers made from timber wood for sale. The tax, likewise, shall not apply to replacement or repair parts of such machinery used in such manufacture.

(6) County emergency telephone (E-911) services (19-5-313).

(7) From and after July 1, 2003, sales of fuel used to produce electric power by a utility company primarily engaged in the business of producing, generating, or distributing electric power for sale.

**F. Other (27-65-111):**

(1) Sales of ordinary and necessary materials to chartered nonprofit hospitals or infirmaries.

(2) Sales of daily or weekly newspapers and periodicals or publications of scientific, literary or educational organizations exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1954 as it existed on March 31, 1975, and subscription sales of all magazines.

(3) Sales of coffins, caskets and materials used in preparing human bodies for burial.

(4) Sales of property for immediate foreign export

(5) Sales to an orphanage, old men's and old ladies' home supported by a nonprofit organization.

(6) Sales to YMCA, YWCA and Boys' and Girls' Club owned and operated by a nonprofit organization or association.

(7) Sales to elementary and secondary grade schools, junior and senior colleges owned and operated by a nonprofit corporation or association. This exemption is not applicable when property is for resale to the students or to the public.

(8) Retail sales of prescription medicines and drugs.

(9) Retail sales of automobiles, trucks and truck-tractors exported from this state within 48 hours and registered and first used in another state.



- (10) Sales of tangible personal property or services to the Salvation Army, Muscular Dystrophy Association, Inc., National Association of Junior Auxiliaries, Inc. and National Multiple Sclerosis Society, Mississippi chapter.
- (11) Sales of tangible personal property or services to the Institute for Technology Development.
- (12) The gross proceeds of retail sales of food and drink for human consumption made through vending machines serviced by full line vendors located apart from and not connected with other taxable businesses.
- (13) The gross proceeds of sales of motor fuel.
- (14) Retail sales of food for human consumption purchased with food stamps issued by the United States Department of Agriculture, or other federal agency.
- (15) Sales of cookies for human consumption by the Girl Scouts of America.
- (16) Gifts or sales to public or private nonprofit museums of art.
- (17) Sales to alumni associations of state supported colleges or universities.
- (18) Sales to domestic violence shelters that qualify for state funding under Sections 93-21-101 through 93-21-113.
- (19) Retail sales of food for human consumption purchased with food instruments issued the Mississippi Band of Choctaw Indians under the Women, Infants and Children Program (WIC) funded by the United States Department of Agriculture.
- (20) Sales of tangible personal property or services to a private company, as defined in Section 57-61-5, which is making such purchases with proceeds of bonds issued under Section 57-61-1 et seq., the Mississippi Business Investment Act.
- (21) The gross collections from the operations of self-service, coin operated car washing equipment and sales of the service of washing motor vehicles with portable high pressure washing equipment on the premises of the customer.
- (22) Sales to Mississippi Technology Alliance.

### Special Sales Tax Levies

Certain cities and counties levy a tax on certain types of businesses and items that is in addition to the 7% State Sales Tax. The tax is collected by the Tax Commission, which transfers the receipts to the city or county.

Location	ITEMS OR BUSINESS TAXED	RATE
Aberdeen	<p>Aberdeen Tourism and Convention Tax (Chapter 942 -- Laws of 1994):</p> <p>Gross proceeds of hotels, motels and restaurants located within the City of Aberdeen. This special tax levy is in addition to all other taxes now imposed. This special levy is effective February 1, 1995, and has no automatic repeal date.</p> <p><b>"Hotel" and "motel"</b> shall mean and include any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests, where such establishment consists of 6 or more guest rooms and does not encompass any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families. <b>"Restaurant"</b> shall mean and include all places where prepared food and beverages are sold for consumption, whether such food is consumed on the premises or not. "Restaurant" as defined herein does not include any school, hospital, convalescent or nursing home or any restaurant-like facility operated by or in connection with a school, hospital, medical clinic, convalescent or nursing home providing food for students, patients, visitors and their families.</p>	1%
Batesville	<p>Batesville Tourism and Economic Development Tax (House Bill 534 – 1992 Regular Session), (House Bill 1837 – 1997 Regular Session):</p> <p>Gross income of restaurants, hotels and motels within the City of Batesville, MS. This tax is in addition to all other taxes imposed. This special levy is effective January 1, 1994 and shall stand repealed on and after July 1, 2017.</p> <p><b>"Hotel" and "Motel"</b> shall mean a place of lodging with more than 6 rental units that at any one time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such. <b>"Restaurant"</b> means and includes all places where prepared food is served for consumption, at which location the primary source of income (50% or greater) is the sale of prepared food for consumption. This includes places that serves such food inside, at drive-in facilities or at drive-up windows.</p>	3%

Location	ITEMS OR BUSINESS TAXED	RATE
	(Note that prior to August 1, 1997, this rate was 1%.)	
Bay Springs	<p>Town of Bay Springs Hotel and Motel Tax (House Bill 1672 – Laws of 1996):</p> <p>Gross proceeds derived from hotel and motel room rentals in the Town of Bay Springs excluding charges for telephone, food, laundry and similar services. This tax is in addition to all other taxes now imposed. This special levy is effective October 1, 1998, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> means any establishment engaged in the business of furnishing rooms intended or designed for lodging or sleeping purposes for transient guests, which establishment, consists of 5 or more guest rooms and does not encompass any hospital, convalescent or nursing home, or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.</p>	3%
Canton	<p>Canton Tourist and Convention Tax (Chapter 866 – Laws of 1989), (Chapter 876 -- Laws of 1992), (House Bill 839, 1994 Regular Session):</p> <p>Gross income of restaurants, hotels and motels within Canton, including, but not limited to, sales of beer and alcoholic beverages sold to be consumed on the premises. This tax is in addition to all other taxes imposed. This special levy is effective June 1, 1989, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> means and includes a place of lodging that at any one time will accommodate transient guests on a daily or weekly basis and is known to the trade as such. Such terms shall not include a place of lodging with 10 or less rental units. <b>“Restaurant”</b> means and includes all places where prepared food is served and whose annual gross proceeds of sales or gross income for the preceding calendar year equals or exceeds \$100,000. For the purposes of calculating gross proceeds of sales or gross income, the sales or income of all establishments owned, operated or controlled by the same person, persons or corporation shall be aggregated.</p>	2%
Cleveland	<p>Cleveland Economic Development Tax (Senate Bill 3151 – 1996 Regular Session):</p> <p>Gross sales of bars, hotels, motels and restaurants. This tax is in addition to all other taxes imposed. This special levy is effective December 1, 1996, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests, where such establishment consists of 6 or more guest rooms and does not encompass any hospital, convalescent or nursing home or sanitarium, or hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.</p> <p><b>“Restaurant”</b> means all places where prepared food and beverages, including beer and alcoholic beverages, are sold for consumption, whether such food is consumed on the premises or not. “Restaurant” does not include any school, hospital, convalescent or nursing home, or any restaurant-like facility operated by or in connection with a school, hospital, medical clinic, convalescent or nursing home providing food for students, patients, visitors, or their families.</p> <p><b>(Note: Prior to June 1, 1998, restaurants and bars were 1%.)</b></p>	2%
Clinton	<p>City of Clinton Tourism Tax (House Bill 1716 – 1995 Regular Session):</p> <p>Gross income of hotels and motels within the City of Clinton. This tax is in addition to all other taxes imposed. This special levy is effective January 1, 1996, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> means any establishment engaged in the business of furnishing or providing</p>	2%

Location	ITEMS OR BUSINESS TAXED	RATE
	rooms intended or designed for lodging or sleeping purposes for transient guests, which establishment consists of 5 or more guest rooms and does not encompass any hospital, convalescent or nursing home, or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.	
Coahoma County	<p>Coahoma County Tourism and Convention Tax (Senate Bill 3112, 1992 Regular Session):</p> <p>(a) Gross proceeds of hotels and motels from room rentals in Coahoma County, excluding charges for telephone, laundry and similar service charges. The special tax does not apply to gross proceeds from room rentals for day meetings where the room does not serve as overnight sleeping accommodations.</p> <p>(b) Gross receipts of restaurants and bars from retail sales of prepared food, beer and alcoholic beverages.</p> <p>This tax is in addition to all other taxes imposed. This special levy is effective May 1, 1993, and has no automatic repeal date.</p> <p><b>"Hotel" or "motel"</b> means any establishment engaged in the business of furnishing or providing rooms intended or designed for lodging or sleeping purposes for transient guests, which establishment consists of 10 or more guest rooms and does not encompass any hospital, convalescent or nursing home, sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.</p> <p><b>"Restaurant"</b> means and includes all places where prepared food and beverages are sold for consumption, whether such food is consumed on the premises or not. <b>"Bar"</b> means any bar, tavern or lounge which are on-premises Alcoholic Beverage Control permit holders where alcoholic beverages are sold for consumption on the premises.</p>	<p>2%</p> <p>1%</p>
Columbus/Lowndes County	<p>Columbus-Lowndes County Convention Tax (Chapter 859 -- Laws of 1983), (Chapter 905 -- Laws of 1985):</p> <p>Gross proceeds from room rentals of all hotels or motels in Lowndes County. This tax is in addition to all other taxes imposed. This special levy is effective August 1, 1983, and has no automatic repeal date.</p> <p><b>"Hotel" and "motel"</b> shall mean a place of lodging with more than 10 rental units that at any one time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such.</p>	2%
Columbus/Lowndes County	<p>Columbus-Lowndes County Tourism and MUW Support Tax (Chapter 870 -- Laws of 1986), (House Bill 1903, 1997 Regular Session) (Senate Bill 3202, 2004 Regular Session):</p> <p>Gross receipts of restaurants in Lowndes County, that have annual sales in excess of \$325,000 derived from the retail sales of prepared food, beer and alcoholic beverages. This tax is in addition to all other taxes imposed. This special levy is effective August 1, 1986, and is repealed effective July 1, 2008.</p> <p><b>"Restaurant"</b> means any place where food is sold whether for consumption upon the premises or not and which has annual sales in excess of \$325,000. <b>"Prepared Food"</b> means food prepared on the premises of a restaurant.</p>	2%
Corinth	<p>Corinth Area Tourism Promotion Tax (Chapter 861 - Laws of 1983), (Chapter 901 - Laws of 1988), (Chapter 899 - Laws of 1992), (Chapter 978 - Laws of 1993), (Chapter 1002 - Laws of 1995), (Senate Bill 3219 - 1997 Regular Session):</p> <p>Gross revenue derived from occupancy of inns, bed and breakfast establishments, hotels, motels located in the City of Corinth. The tax shall apply to all inns, bed and breakfast establishments, and hotels and motels as defined herein. The tax is also due on the gross revenue derived from the sale of prepared food and beverages by restaurants within the City of Corinth. Where 50% or more of the gross revenue of a restaurant derives from the sale of prepared food, the tax shall be assessed upon the gross revenue derived from the sale of all foods and beverages served by such restaurant. Where less than 50% of the gross revenue of a restaurant derives from the sale of prepared food, the tax shall only be assessed on the gross revenue derived from the sale of prepared foods. This tax is in addition to all other taxes imposed. This special levy is effective October 1, 1983, and has no automatic repeal date.</p>	2%

Location	ITEMS OR BUSINESS TAXED	RATE
	<p><b>“Bed and breakfast”, “inn”, “hotel”, or “motel”</b> shall mean and include any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests where such establishment consists of 2 or more guest rooms. “Bed and breakfast”, “inn”, “hotel”, or “motel” shall not include or encompass any hospital, convalescent or nursing home, sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families. <b>“Restaurant”</b> means and includes all places where prepared food and beverages are sold for consumption, whether such food is consumed on the premises or not. “Restaurant” shall not include any school, hospital, convalescent or nursing home, or any restaurant-like facility operated by or in connection with a school, hospital, medical clinic, convalescent or nursing home providing food for students, patients, visitors and their families.</p> <p><b>(Note: Prior to April 27, 1997, tax was Alcorn County Tourist Promotion Tax and applied to inns, “bed and breakfast” establishments, hotel motel and restaurants located within Alcorn County.)</b></p>	
Desoto County	<p>Desoto County Convention Tourist Promotion Tax (Senate Bill 3173 – 1996 Regular Session):</p> <p>Gross proceeds of restaurants, hotels and motels (including but not limited to sales of beer and alcoholic beverages). This tax shall not apply to restaurants not selling alcoholic beverages under an on-premises retailers permit and whose gross sales or gross income is less than \$100,000 per year based on the preceding calendar year. In determining gross proceeds of sales or gross income, the sales or income of all establishments owned, operated or controlled by the same persons or corporations shall be aggregated. This tax is in addition to all other taxes imposed. This special levy is effective February 1, 1997, and has no automatic repeal date.</p> <p><b>“Hotel” and “motel”</b> shall mean and include a place of lodging that at any one time will accommodate 6 or more transient guests (guests who are accommodated for less than 7 days) and which are known to the trade as such. <b>“Restaurant”</b> shall mean and include all places where prepared food is sold through the use of facilities to accommodate 25 or more persons and includes a café, cafeteria, lunch stand, or any other place of business where prepared food is sold whether for consumption upon the premises or not.</p>	2%
Florence	<p>Town of Florence Economic Development and Recreational Facilities Tax (House Bill 1718 – 1998 Regular Session), (Senate Bill 3081 – 1999 Regular Session):</p> <p>Gross proceeds of the sales of beer, alcoholic beverages, and prepared food by bars and restaurants located in Florence. This tax is in addition to all other taxes imposed. This special levy is effective January 1, 1999 and shall be repealed from and after December 31, 2014 or not more than two months following the time that the recreational facilities authorized to be constructed by this act have been completed and the cost of constructing such facilities has been paid.</p> <p><b>“Bar”</b> means all places, required by law to possess an on-premises Alcoholic Beverage Control permit, where beer and/or alcoholic beverages are sold for consumption on the premises. <b>“Restaurant”</b> shall mean all places where prepared food and beverages, including alcoholic beverages, are sold for consumption, whether such food is consumed on the premises or not.</p>	2%
Flowood	<p>City of Flowood Tourist and Recreation Tax (House Bill 1703 – Laws of 1996):</p> <p>Gross proceeds of sales of restaurants derived from retail sales of prepared food, beer and alcoholic beverages. This tax is in addition to all other taxes imposed. This special levy is effective July 1, 1996, and has no automatic repeal date. <b>“Restaurant”</b> means any place where prepared food is sold whether consumed on the premises or not.</p>	2%
Greenwood	<p>Greenwood Tourist and Convention Tax (Chapter 813 – Laws of 1989), (Senate Bill 3117 – 1999 Regular Session):</p> <p>Gross proceeds from room rentals of hotels and motels in the city, excluding charges for telephone, laundry and similar service charges, and also excluding nontaxable rooms and room rentals for day meetings which do not serve as overnight sleeping accommodations. The tax also applies to the gross receipts of restaurants and bars from retail sales of prepared food, beer and/or alcoholic beverages. Provided, however, that restaurants not selling alcoholic beverages under an on-premises liquor permit and whose gross proceeds of sales or gross income is less than \$100,000 per calendar year based upon sales for the preceding calendar year shall be excluded from the</p>	1%

Location	ITEMS OR BUSINESS TAXED	RATE
	<p>tax levy. This tax is in addition to all other taxes imposed. This special levy is effective November 1, 1989 and shall be repealed on and after September 30, 2004.</p> <p><b>“Hotel” or “Motel”</b> means any establishment engaged in the business of furnishing or providing rooms intended or designed for lodging or sleeping purposes for transient guests, which establishment consists of 10 or more guest rooms and does not encompass any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.</p> <p><b>“Restaurant”</b> means any place, including hotel and motel dining rooms, cafeterias, cafes and lunch stands, where prepared food and drink are sold for consumption either upon or off the premises.</p>	
Grenada	<p>Grenada Tourism Tax (Chapter 879 – Laws of 1992), (Chapter 975 – Laws of 1994), (House Bill 772, 1999 Regular Session) (House Bill 1647 2003 Regular Session):</p> <p>(a) Gross proceeds of sales from room rentals of hotels and motels within Grenada, Mississippi. Charges for laundry, telephone and other similar charges will also be included. However, the tax shall not be levied upon or collected from gross proceeds of non-taxable rooms or room rentals for day meetings that do not serve as overnight sleeping accommodations.</p> <p>(b) Gross receipts of restaurants and bars from retail sales of prepared food, beer and/or alcoholic beverages.</p> <p>This tax is in addition to all other taxes imposed. This special levy is effective August 1, 1992, and shall stand repealed from and after July 1, 2007.</p> <p><b>“Hotel” and “motel”</b> shall mean and include a place of lodging with more than 6 rental units that at any one time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such. <b>“Bar”</b> means any bar, tavern or lounge where alcoholic beverages are sold for consumption on the premises. <b>“Prepared food”</b> means food prepared on the premises. <b>“Restaurant”</b> means any place, including hotel and motel dining rooms, cafeterias, cafes and lunch stands, as well as grocery and convenience stores where prepared food and drink are sold for consumption either on or off the premises.</p>	<p>2%</p> <p>1%</p>
Hancock County	<p>Hancock County Tourism Tax (House Bill 1752 – 1996 Regular Session), (House Bill 1830 – 1998 Regular Session) (House Bill 1710, 2001 Regular Session) (House Bill 1474, 2003 Regular Session):</p> <p>Gross proceeds of sales derived from room rentals by hotels, motels and similar establishments in Hancock County. The special tax shall not be levied upon or collected from gross proceeds of nontaxable rooms, complimentary sales or complementaries. This tax is in addition to all other taxes imposed. This special levy is effective October 1, 1996 and shall stand repealed on July 1, 2007.</p> <p><b>“Hotel” or “motel”</b> means any establishment engaged in the business of furnishing or providing rooms intended or designed for lodging or sleeping purposes for transient guests and does not encompass any hospital, convalescent or nursing homes or sanitarium or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.</p>	2%
Harrison County	<p>Harrison County Tourism Commission Tax (Chapter 881, Laws of 1980), (Chapter 918, Laws of 1990), (House Bill 1687, 1999 Regular Session):</p> <p>Gross proceeds from room rental of all hotels or motels in Harrison County. This tax is in addition to all other taxes imposed. This special tax is effective October 1, 1980, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> shall mean a place of lodging that at any one time will accommodate transient guests on a daily or weekly basis and that are known to the trade as such, including hotels, motels, bed and breakfast inns, time-share condominiums, tourist courts, rooming houses or other places where sleeping accommodations are furnished or offered for pay, if more than 10 rooms are available for transient guests. The act excludes nursing home or institutions for the aged or the infirm and personal care homes. Hotels and motels with 10 or less rental units are exempt.</p>	3%

Location	ITEMS OR BUSINESS TAXED	RATE
Hattiesburg	<p>Hattiesburg Convention Promotion Tax (Chapter 952 – Laws of 1991):</p> <p>Gross proceeds of sales of persons operating restaurants; alcoholic beverage package retailer permittees; and establishments holding an “on-premises” permit for the consumption of alcoholic liquors within the City of Hattiesburg. This special tax is in addition to all other taxes now imposed. This special levy is effective November 1, 1991 and has no automatic repeal date.</p> <p><b>“Restaurant”</b> shall mean and include all places where prepared food and beverages are sold for consumption, whether such food is consumed on the premises or not. “Restaurant” as defined herein does not include any school, hospital, convalescent or nursing home, or any restaurant-like facility operated by or in connection with a school, hospital, medical clinic, convalescent or nursing home providing food for students, patients, visitors and their families, or any restaurant having annual gross sale of less than \$100,000.</p>	2%
Hattiesburg	<p>Hattiesburg Tourism Promotion Tax (Chapter 878 – Laws of 1990), (House Bill 1878 – 1997 Regular Session), (Senate Bill 3306 – 2000 Regular Session):</p> <p>Gross revenue derived from the rental of hotel and motel rooms, exclusive of charges for food, telephone, laundry, beverages and similar charges, located within the City of Hattiesburg. This special tax is in addition to all other taxes now imposed. This special levy is effective November 1, 1990, and shall stand automatically repealed September 30, 2004.</p> <p><b>“Hotel” or “motel”</b> means a place of lodging that at any one time will accommodate transient guests on a daily or weekly basis, excluding hotels or motels with 10 or less overnight rental units.</p>	2%
Hernando	<p>Hernando Tourism and Economic Development Tax (House Bill 1699 – 1999 Regular Session):</p> <p>Levy – A special tax at the rate of 1% on the gross proceeds derived from hotel and motel room rentals, excluding charges for food, beverage, telephone, laundry and other similar charges and does not include room rentals for day meetings that do not serve as overnight accommodations. This special tax is in addition to all other taxes now imposed. This special levy is effective August 1, 1999, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests and which are known in the trade as such. The term “hotel” or “motel” does not include any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.</p>	1%
Holly Springs	<p>Holly Springs Recreation and Public Improvement Promotion Tax (Senate Bill 3118 – 1999 Regular Session):</p> <p>Gross proceeds of sales of hotels and motels and on the gross proceeds of restaurants derived from the sale of beer and alcoholic beverages that are sold for consumption on the premises and from the sales of prepared foods. This special tax is in addition to all other taxes now imposed. This special levy is effective November 1, 1999, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> means any establishment with 5 or more rental units engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging purposes to transient guests and which are known in the trade as such excluding establishments with four or less guest rooms. <b>“Restaurant”</b> means and includes all places where prepared foods and beverages are sold for consumption whether such food is consumed on the premises or not, and businesses that cater foods.</p>	2%
Indianola	<p>Indianola Tourism Commission Tax (House Bill 1613 – 2003 Regular Session):</p> <p>Gross proceeds of sales of hotels and motels and on the gross proceeds of restaurants derived sales of prepared food, beer and any other alcoholic beverages. This special levy is effective July 1, 2003 and is repealed effective September 30, 2007.</p> <p><b>“Hotel” or “motel”</b> means any establishment with 10 or more guest rooms and engaged in the business of furnishing or providing rooms intended or designed for lodging or sleeping purposes to transient guests. <b>“Restaurant”</b> means any place where prepared food and drink are sold for consumption either on or off premises.</p>	2%

Location	ITEMS OR BUSINESS TAXED	RATE
Jackson	<p>Jackson Convention and Visitors Bureau Tax (Senate Bill 3080 – 1999 Regular Session) (House 1778 -- 2004 Regular Session):</p> <p>Gross proceeds of the sales of restaurants, hotels, and motels, including, but not limited to, sales of beer and alcoholic beverages sold to be consumed on the premises. This special tax is in addition to all other taxes imposed. This special levy is effective May 1, 1999 and shall stand repealed from and after July 1, 2008.</p> <p><b>“Hotel” or “motel”</b> means and includes a place of lodging that at any one time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such, and which is located within the city limits of Jackson, Mississippi. Such terms shall not include a place of lodging with ten or less rental units. <b>“Restaurant”</b> means and includes all places where prepared food is sold and whose annual gross proceeds of sales or gross income for the proceeding calendar year equals or exceeds \$100,000, and which are located within the city limits of Jackson, Mississippi. For the purpose of calculating gross proceeds of sales or gross income, the sales or income of all establishments owned, operated or controlled by the same person, persons, or corporation shall be aggregated.</p>	1%
Jackson	<p>City Of Jackson Occupancy Tax (Senate Bill 3236, 1995 Regular Session):</p> <p>The occupancy tax is levied on each occupied room in the City of Jackson. This special tax is in addition to all other taxes now imposed. This special levy is effective October 1, 1995 and shall remain in effect until the City of Jackson shall by resolution rescind the tax.</p> <p><b>“Hotel” or “motel”</b> means a place of lodging that at any one time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such. Such terms does not include a place of lodging with 10 or less rental units. Hotel 1r motel includes any establishment furnishing bed and breakfast accommodations to transient persons.</p>	\$.75 per day
Kosciusko	<p>Kosciusko Tourist Promotion Tax (Chapter 847 – Laws of 1989), (Chapter 841 – Laws of 1991):</p> <p>Gross income derived from the rental of hotel and motel rooms located within the City of Kosciusko. This special tax is in addition to all other taxes now imposed. This special levy is effective July 1, 1989, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> shall mean any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests if such establishment consists of 6 or more guest rooms and does not encompass any hospital, convalescent or nursing home, or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.</p>	2%
Lauderdale County	<p>Lauderdale County Tourism Commission Tax (House Bill 1751 – 1997 Regular Session), (Senate Bill 3182, 2001 Regular Session):</p> <p>Gross proceeds from room rental of all hotels and motels in Lauderdale County, excluding charges for food, telephone, laundry, beverages and similar charges. The special tax does not apply to gross proceeds from room rentals for day meetings where the room does not serve as overnight sleeping accommodations. This tax is in addition to all other taxes imposed. This special levy is effective June 1, 1997, and shall stand repealed from and after October 1, 2005.</p> <p><b>“Hotel” and “motel”</b> shall mean a place of lodging that at any one time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such. Hotels and motels with 10 or less rental units are exempt.</p>	2½%
Laurel	<p>City of Laurel Recreation and Public Improvement Tax (House Bill 2996 – 1996 Regular Session), (House Bill 1868 – 1998 Regular Session):</p> <p>Gross proceeds derived from hotel and motel overnight room rentals and retail sales of certain restaurants and on the gross income derived from certain sales of alcoholic beverages within the City of Laurel. This tax is in addition to all other taxes imposed. The special levy is effective September 1, 1998, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> shall mean a place of lodging within the city that at any one time will accommodate transient guests on a daily or weekly basis, excluding hotels or motels with 10 or less overnight rental units. <b>“Restaurant”</b> shall mean and include all places within the city where prepared food and beverages are sold for consumption, whether such foods are prepared or consumed on the premises or not and whose annual gross sales equal or exceeds \$100,000.</p>	2%

Location	ITEMS OR BUSINESS TAXED	RATE
	<b>(Note: Rate prior to September 1, 1998 was 1%)</b>	
Magee	<p>Magee Recreational Facilities Tax (Senate Bill 3229 – 1999 Regular Session):</p> <p>Gross proceeds of room rentals of hotels and motels and on the gross proceeds of sales of restaurants. This special tax is in addition to all other taxes now imposed. This special levy is effective November 1, 1999, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> shall mean any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guest and are known in the trade as such. This tax applies only to those establishments with 5 or more guest rooms. The terms “hotel” or “motel” shall include any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families. <b>“Restaurant”</b> means and includes all places where prepared food and beverages are sold for consumption either on or off the premises or not. Such term does not include any school, hospital, medical clinic, convalescent or nursing home, or prison facility providing food for students, patients, inmates, visitors or their families.</p>	1%
Montgomery County	<p>Montgomery County Coliseum Support and Tourism Tax (House Bill 1718 – 1999 Regular Session)</p> <p>Gross proceeds of sales derived from room rentals of hotels and motels. This special tax is in addition to all other taxes now imposed. This special levy is effective August 1, 2000, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> shall mean any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guest and are known in the trade as such. Charges for food, telephone, laundry, beverages and similar charges are NOT included. The tax shall not be collected from room rentals for day meetings where the room does not serve as overnight sleeping accommodations. The terms “hotel” or “motel” shall include any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.</p>	2%
Moss Point	<p>City of Moss Point Tourism Tax (House Bill 1740 – 1995 Regular Session):</p> <p>Gross proceeds from room rentals of hotels and motels within the City of Moss Point. This tax is in addition to all other taxes imposed. This special levy is effective September 1, 1995, and has no automatic repeal date.</p> <p><b>“Hotels” or “motels”</b> shall mean and include any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests, which establishment consists of 6 or more guest rooms and does not encompass any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.</p>	3%
Natchez	<p>Natchez Convention and Tourism Tax (Chapter 893 – Laws of 1973), (Chapter 941 – Laws of 1978), (Chapter 843 – Laws of 1989), (Chapter 882 – Laws of 1990), (Chapter 888 – Laws of 1992), (House Bill 1883, 1998 Regular Session):</p> <p>(a) Gross proceeds of sales from room rental of all motels and hotels doing business in the City of Natchez, Mississippi. The special levy is effective May 1, 1973.</p> <p>(b) Gross proceeds of restaurants and on-premises Alcoholic Beverage Control permit holders, excluding those held by private clubs, organizations or associations in Natchez, Mississippi, when the gross income of such businesses exceeds \$100,000 annually. The special levy is effective May 1, 1978.</p> <p>These special tax levies are in addition to all other taxes imposed. The special levies have no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> shall mean and include a place of lodging, including bed and breakfast operations which will accommodate transient guests on a daily basis and are known to the trade as such.</p> <p><b>(Note: Rates were increased effective July 1, 1989. Prior to April 16, 1998, tax was levied on businesses located within Adam County.)</b></p>	<p>3%</p> <p>1 ½%</p>
New Albany	<p>New Albany Tourism Tax (House Bill 1906 – 1997 Regular Session):</p>	



Location	ITEMS OR BUSINESS TAXED	RATE
	<p>Gross proceeds of sales from hotels, motels, restaurants, and such other establishments where prepared food is sold, located within the City of New Albany. This tax is in addition to all other taxes imposed. This special levy is effective September 1, 1997, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests, which establishment consists of 6 or more guest rooms, and does not encompass any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.</p> <p><b>“Restaurant”</b> means all places where prepared food and beverages are sold for consumption, whether such food is consumed on the premises or not. Such term does not include any school, hospital, convalescent or nursing home, or any restaurant like facility operated by or in connection with a school, hospital, medical clinic, convalescent or nursing home providing food for students, patients, visitors or their families.</p>	2%
Newton	<p>City of Newton Occupancy Tax (Senate Bill 3152, 1996 Regular Session):</p> <p>The occupancy tax is levied on each hotel or motel overnight room rental within the City of Newton. This tax is in addition to all other taxes imposed. This special levy is effective September 1, 1996, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests, but does not encompass any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.</p>	\$1.00 per day
Ocean Springs	<p>Ocean Springs Tourism and Economic Development Tax (House Bill 1836 – 1998 Regular Session):</p> <p>Gross proceeds of room rentals of hotels, motels, and bed and breakfasts within the City of Ocean Springs, and does not include charges for food, telephone, laundry, beverages, and similar charges. Additionally, this tax shall not be levied upon gross proceeds derived from room rentals for day meetings where the room does not serve as overnight sleeping accommodations. This tax is in addition to all other taxes imposed. This special levy is effective December 1, 1998, and has no automatic repeal date.</p> <p><b>“Hotel”, “motel” and “bed and breakfast”</b> mean any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging, or sleeping purposes to transient guests and which are known to the trade as such.</p>	2%
Oxford	<p>Oxford Tourism and Economic Development Tax (Chapter 865 – Laws of 1983), (Chapter 930 – Laws of 1984), (Chapter 19 – Laws of 1988), (House Bill 1868 – 1997 Regular Session):</p> <p>Gross proceeds of sales from room rentals of motels or hotels inside Oxford. This special tax is in addition to all other taxes now imposed. This special levy is effective June 1, 1983, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> shall mean and include any place of lodging that at any one time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such.</p>	2%
Oxford	<p>Oxford Tourism and Stadium Construction Tax (Chapter 822 – Laws of 1986):</p> <p>Gross receipts of restaurants inside Oxford derived from retail sales of prepared food, beer and alcoholic beverages and on the gross proceeds of sales of other businesses derived from retail sales of beer and alcoholic beverages, excluding sales of alcoholic beverages upon premises covered by a package retailer’s permit. This special tax is in addition to all other taxes now imposed. This special levy is effective August 1, 1987, and has no automatic repeal date.</p> <p><b>“Restaurant”</b> means any place where prepared food is sold whether for consumption upon the premises or not. “Prepared food” means food prepared on the premises of the restaurant.</p>	2%
Philadelphia	<p>Philadelphia Tourism and Economic Development Tax (Senate Bill 3199 -- 1999 Regular Session):</p> <p>Gross proceeds of sales derived from room rentals of hotels and motels. This special tax is in</p>	3%

Location	ITEMS OR BUSINESS TAXED	RATE
	<p>addition to all other taxes now imposed. This special levy is effective October 15, 1999, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> shall mean a place of lodging that at any one time will accommodate transient guests on a daily basis and that is known to the trade as such. Hotels and motels with 6 or less guest rooms are exempt from this special tax. The terms “hotel” or “motel” shall include any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.</p>	
Picayune	<p>Picayune Tourism and Economic Development Tax (Senate Bill 3298 -- 1998 Regular Session):</p> <p>(a) Gross proceeds derived from room rentals of hotels, motels, or bed and breakfasts in the city of Picayune.</p> <p>(b) Gross receipts of restaurants from retail sales of prepared food in the city of Picayune.</p> <p>This tax is in addition to all other taxes imposed. This special levy is effective September 1, 1998, and has no automatic repeal date.</p> <p><b>“Hotel”, “motel”, or “bed and breakfast”</b> means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests and which are known in the trade as such. The term “hotel”, “motel”, or “bed and breakfast” does not include any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families. <b>“Prepared food”</b> means food prepared on the premises. <b>“Restaurant”</b> means any place, including hotel and motel dining rooms, cafeterias, cafes and lunch stands, as well as grocery and convenience stores where prepared food and drink are sold for consumption either upon or off the premises.</p>	<p>2%</p> <p>1%</p>
Rankin	<p>Rankin County Hotel and Motel Tourism Tax (Senate Bill 3119 – Laws of 1993)</p> <p>Gross proceeds of room rentals of hotels and motels operating within Rankin County, excluding charges for food, telephone, laundry, beverages and similar charges. The assessment shall not be levied or collected from gross proceeds for day meetings where the room does not serve as overnight sleeping accommodations. This tax is in addition to all other taxes imposed. This special levy is effective April 1, 1995, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> shall mean a place of lodging that at any one time will accommodate transient guests on a daily or weekly basis and that are known to the trade as such. Hotels and motels with 10 or less rental units are exempt.</p>	2%
Richland	<p>Richland Economic and Community Development Tax (House Bill 1717 -- 1998 Regular Session) (House Bill 1632, 2001 Regular Session):</p> <p>Gross proceeds of the sales of beer, alcoholic beverages, and prepared food by bars and restaurants located in Richland. This tax is in addition to all other taxes imposed. This special levy is effective January 1, 1999 and shall be repealed December 31, 2025 or not more than 2 months following the time that the multipurpose building authorized to be constructed by this act has been completed and the cost of constructing such building has been paid.</p> <p><b>“Bar”</b> means all places, required by law to possess an on-premises Alcoholic Beverage Control permit, where beer and/or alcoholic beverages are sold for consumption on the premises.</p> <p><b>“Restaurant”</b> shall mean all places where prepared food and beverages, including alcoholic beverages, are sold for consumption, whether such food is consumed on the premises or not.</p>	2%
Ridgeland	<p>Ridgeland Tourist and Convention Tax (Senate Bill 3123 -- 1997 Regular Session):</p> <p>Gross proceeds of sales of restaurants, hotels and motels, including, but not limited to sales of alcoholic beverages to be consumed on the premises. This tax is in addition to all other taxes imposed. This special levy is effective October 1, 1997, and has no automatic repeal date.</p> <p><b>“Hotel” or “motel”</b> means and includes a place of lodging that at any one time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such. Such terms shall not include a place of lodging with 10 or less rental units. <b>“Restaurant”</b> means and includes all places where prepared food is sold and whose annual gross proceeds of sales or gross income for the preceding calendar year equals or exceeds \$100,000. For the purpose of calculating gross proceeds of sales or gross income, the sales or income of all establishments</p>	1%

Location	ITEMS OR BUSINESS TAXED	RATE
	owned, operated or controlled by the same person, persons, or corporation shall be aggregated.	
Southaven	<p>Southaven Tourism and Convention Tax (House Bill 1618 -- 1993 Regular Session):</p> <p>Gross income of hotels and motels in the City of Southaven. This tax is in addition to all other taxes imposed. This special levy is effective August 1, 1993, and has no automatic repeal date.</p> <p><b>"Hotel" and "motel"</b> means a place of lodging that at any one time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such, unless the context in which the term is used clearly indicates otherwise. Such terms shall not include a place of lodging with 10 or less rental units.</p>	1%
Starkville	<p>Starkville Economic Development, Tourism and Convention Tax (Chapter 950 -- Laws of 1994):</p> <p>Gross proceeds of sales of restaurants within the City of Starkville. This tax is in addition to all other taxes imposed. This special levy is effective December 1, 1994, and shall stand repealed from and after June 30, 2005.</p> <p><b>"Gross income"</b> means the total revenue generated by a restaurant from the sale of prepared or prepackaged food, alcoholic and nonalcoholic beverages. <b>"Restaurant"</b> shall mean and include all places where prepared food and beverages are sold for consumption either upon or off the premises and is to include catering activities for prepared food sold within the city limits of Starkville, Mississippi. <b>"Restaurant"</b> as defined herein does not include any school, hospital, convalescence or nursing home or any restaurant-like facility operated by or in connection therewith providing food for students, teachers, patients, visitors and their families.</p>	2%
Starkville	<p>Starkville Motel-Hotel Tax (Chapter 854 -- Laws of 1986):</p> <p>Gross proceeds of sales from room rentals of motels and hotels inside Starkville, Mississippi. This special tax is in addition to all other taxes imposed. This special levy is effective June 1, 1986 and has no automatic repeal date.</p> <p><b>"Hotel" and "motel"</b> shall mean and include a place of lodging with more than 6 rental units that at any one time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such.</p>	2%
Tishomingo	<p>Tishomingo County Tourist Tax (House Bill 1656 -- 1993 Regular Session):</p> <p>Gross proceeds of hotels and motels from room rentals in Tishomingo County, excluding charges for telephone, laundry and similar service charges. The tax does not apply to gross proceeds from nontaxable rooms, room rentals for day meetings where the room does not serve as overnight sleeping accommodations or room rentals to residential guests of a hotel or motel. This tax is in addition to all other taxes imposed. This special levy is effective July 1, 1993, and has not automatic repeal date.</p> <p><b>"Hotel" and "motel"</b> means any establishment engaged in the business of furnishing or providing rooms intended or designed for lodging or sleeping purposes for transient guests, which establishment consists of 5 or more guest rooms and does not encompass any hospital, convalescent or nursing home, or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.</p>	Tishomingo
Tunica	<p>Tunica County Tourist and Convention Tax (Chapter 955, Laws of 1996), (House Bill 1847, 1998 Regular Session), (House Bill 1559, 1999 Regular Session):</p> <p>Gross proceeds of hotels and motels from room rentals, excluding charges for food, beverage, telephone, laundry and other similar charges. The tax shall not be levied upon or collected from the gross proceeds of nontaxable rooms, complimentary rooms or room rentals for day meetings that do not serve as overnight sleeping accommodations. The tax also applies to the gross proceeds of restaurants and bars derived from retail sales of prepared food or alcoholic beverages (including beer and light wine), or both. This tax shall not be levied or collected from the gross proceeds from complimentary sales of foods or beverages. This special tax is in addition to all other taxes imposed. The special levy is effective October 1, 1996, and has no automatic repeal date.</p> <p><b>"Hotel" and "motel"</b> means any establishment having 10 or more rooms, engaged in the business</p>	Tunica

Location	ITEMS OR BUSINESS TAXED	RATE
	<p>of furnishing or providing rooms intended or designed for lodging or sleeping purposes for transient guests, not including any hospital, convalescent or nursing home or sanitarium or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families. <b>"Retail sales"</b> means gross receipts (the term does not include complimentaries). <b>"Restaurant"</b> means any place, including hotel dining rooms, casinos, cafeterias, cafes and lunch stands, where prepared food and drink are sold for consumption either upon or off the premises, but does not include small grocery stores or service stations where the sale of prepared food constitutes less than 50% of the gross sales.</p> <p><b>(Note: Rate was increased from 2% to 3% on hotels and from 1% to 3% on restaurants and bars effective July 1, 1999)</b></p>	
Tupelo	<p>Tupelo Convention and Tourism Promotion Tax (Chapter 880 -- Laws of 1985), (Chapter 884 -- Laws of 1990):</p> <p>Gross proceeds of sales from room rentals of motels and hotels and upon the gross income of restaurants inside Tupelo, Mississippi. This special tax is in addition to all other taxes imposed. This special levy on hotels and motels is effective June 1, 1986, while the special levy on restaurants is effective June 1, 1990, and has no automatic repeal date.</p> <p><b>"Hotel" or "motel"</b> shall mean and include any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests, where such establishment consists of 10 or more guest rooms and does not encompass any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families. <b>"Restaurant"</b> shall mean and include all places where prepared food and beverages are sold for consumption, whether such food is consumed on the premises or not. "Restaurant" as defined herein does not include any school, hospital, convalescent or nursing home or any restaurant-like facility operated by or in connection with a school, hospital, medical clinic, convalescent or nursing home providing food for students, patients, visitors and their families.</p>	2%
Tupelo	<p>Tupelo Water Procurement Facility Tax (Chapter 920 -- Laws of 1988):</p> <p>All retail sales and services within the City of Tupelo, Mississippi which are subject to the general rate of state sales tax. This special levy is in addition to all other taxes now imposed. This special levy is effective February 1, 1989, and shall stand repealed upon certification to the Chairman of the State Tax Commission by the trustee of the special fund that certain criteria have been met as required, and the tax shall stand repealed effective on the first day of the month immediately succeeding such certification.</p>	¼%
Vicksburg	<p>Vicksburg Convention -- Tourism Promotion Tax (House Bill 1699 -- 1995 Regular Session):</p> <p>Gross proceeds of room rentals of hotels and motels operating within the corporate boundaries of the City of Vicksburg. This tax is in addition to all other taxes imposed. This special levy is effective December 1, 1996, and has no automatic repeal date.</p> <p><b>"Hotel" or "motel"</b> shall mean and include a place of lodging that at any one time will accommodate 6 or more transient guests (guests who are accommodated for less than 7 days) and are known to the trade as such.</p>	1%
Warren County	<p>Warren County Tourism Promotion Tax (Chapter 521 -- Laws of 1972):</p> <p>Gross proceeds of sales or gross income of restaurants, hotels and motels, including but not limited to sales of beer and alcoholic beverages. The special tax shall not apply to restaurants not selling alcoholic beverages under an on-premises ABC permit and whose gross income is less than \$100,000 per calendar year. All persons operating a restaurant, cafe, cafeteria, delicatessen, lunch stand, drive-in or other establishment selling prepared foods and who hold an on-premises liquor permit are subject to the special tax. A lunch counter in a store, airport, bus terminal or commercial building is classed as a restaurant. A delicatessen is subject to the tax even when operated as a part of a grocery store. This tax is in addition to all other taxes imposed. This special levy is effective August 1, 1972, and has no automatic repeal date.</p> <p><b>"Hotel" or "motel"</b> shall mean and include a place of lodging that at any one time will accommodate 6 or more transient guests (guests who are accommodated for less than 7 days) and are known</p>	2%

Location	ITEMS OR BUSINESS TAXED	RATE
	to the trade as such. <b>"Restaurant"</b> shall mean and include all places where prepared food is served through the use of facilities to accommodate 25 or more persons and includes hotel and motel dining rooms. "Restaurant" shall also include a cafe, cafeteria, lunch stand or any other place of business where prepared food is sold whether for consumption upon the premises or not.	
Washington County	<p>Washington County Convention and Visitors Tax (House Bill 499 -- 1991 Regular Session), (House Bill 430 -- 1996 Regular Session). (House Bill 1714 - 2000 Regular Session) (House Bill 1462, 2003 Regular Session):</p> <p>Gross proceeds of sales or gross income of hotels, motels, restaurants; and establishments holding an "on-premises" permit for the consumption of alcohol liquors located within Washington County. Provided, however, that restaurants that have gross proceeds of sales or gross income of less than \$100,000 per calendar year shall be excluded from this special tax levy. This tax is in addition to all other taxes imposed. This special levy is effective August 1, 1991, and shall be repealed July 1, 2007.</p> <p><b>"Hotel" and "motel"</b> shall mean a place of lodging that at any one time will accommodate transient guests on a daily or weekly basis and that are known to the trade as such. Hotels and motels with 10 or less rental units are exempt from this special tax. <b>"Restaurant"</b> means a place which is regularly engaged in serving cooked or prepared meals to customers for compensation for on-premises or off-premises consumption, including restaurants and lunch counters located in other retail establishments, but shall not include delicatessen departments of grocery and convenience stores which do not provide seating facilities for customers for on-premises consumption of meals. Restaurants and establishments selling alcoholic beverages operated by bona fide private clubs organized for some common object other than the sale of goods and alcoholic beverages are exempt from this special tax.</p>	1%
West Point	<p>West Point Recreation/Public Improvement Promotion Tax (Senate Bill 3148 -- 1996 Regular Session):</p> <p>Gross income of restaurants, hotels, motels, and retail package stores. This tax is in addition to all other taxes imposed. This special levy is effective December 1, 1996, and has no automatic repeal date.</p> <p><b>"Hotel" or "motel"</b> shall mean a place of lodging within the city that at any one time will accommodate transient guests on a daily or weekly basis, excluding hotels or motels with 10 or less overnight rental units. <b>"Restaurant"</b> shall mean and include all places within the city where prepared foods and beverages are sold for consumption, whether such foods are prepared or consumed on the premises or not. "Restaurant" defined herein does not include any school, hospital, convalescent or nursing home, or any restaurant-like facility operated by or in connection with a school, hospital, medical clinic, convalescent or nursing home providing food for students, patients, visitors and their families. <b>"Retail package stores"</b> shall mean all retail package stores located within the municipal limits of the City of West Point having a package retailer's permit issued by the Mississippi State Tax Commission.</p>	1%
Yazoo County	<p>Yazoo County Tourist and Convention Tax (House Bill 1468 -- 1992 Regular Session), (Senate Bill 3310 -- 1998 Regular Session):</p> <p>Gross proceeds of restaurants, hotels and motels, including, but not limited to, sales of beer and alcoholic beverages sold to be consumed on the premises. This special tax is in addition to all other taxes imposed. This special levy is effective March 1, 1993, and has no automatic repeal date.</p> <p><b>"Hotel" or "motel"</b> means and includes a place of lodging that at any one time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such. Such terms shall not include a place of lodging with 10 or less rental units. <b>"Restaurant"</b> means and includes all places where prepared food is sold, either to be served for consumption at the establishment or to be taken from the establishment for consumption.</p>	2%

## Occupancy Tax

- JACKSON** The occupancy tax is levied at the rate of 75 cents per day for each occupied room in a hotel or motel within the City of Jackson. Hotel or motel means and includes a place of lodging that at any one time will accommodate transient guests on a daily or weekly basis and that are known to the trade as such. Such terms shall not include a place of lodging with 10 or less rental units.
- NEWTON** A special tax of \$1.00 per day for each hotel or motel room overnight rental within the City of Newton. "Hotel" or "motel" shall mean and include any establishment engaged in the business of furnishing or providing rooms for sleeping purposes.

**SEVERANCE**  
**MISCELLANEOUS TAX BUREAU**  
**SALT**  
**(27-23-305)**

On Salt mined, severed or otherwise produced, for sale, profit or commercial use.

This tax is 3% of the value of the entire production from within the state.

**Gas Severance Tax**  
**(27-25-703)**

A tax is levied at 6% of the value at the point of production of gas produced or severed within this state. The tax is not levied against gas, lawfully injected into the earth for lifting or enhancing the recovery of oil except gas that is sold for such purposes. The gas must be used only in Mississippi to qualify for exemption.

Occluded gas produced from coal seams from wells that begin commercial production on or after July 1, 2004, and July 1, 2007, shall be taxed at a rate of 3% of the gross value for a period of 5 years beginning on the date of first sale of production from such well.

**Oil Severance Tax**  
**(27-25-503)**

Oil produced and severed for sale, transport, storage, profit or commercial use 6% of value except oil, produced from an enhanced oil recovery method well which is 3% of value.

**Exemptions**

Oil produced from a discovery well for which drilling commenced July 1, 1999 through June 30, 2003 shall be taxed at a rate of 3% for 5 years.

Gas produced from a discovery well for which drilling commenced July 1, 1999 through June 30, 2003 shall be taxed at a rate of 3% for 5 years.

Oil or gas produced from a 2 year inactive well (as of July 1, 1999) shall be exempted for 3 years beginning on the date of first sale. Exemption is repealed July 1, 2003.

Oil or gas produced from development wells or replacement wells drilled in connection with discovery wells for which drilling commenced July 1, 1999 through December 31, 2003 shall be taxed at a rate of 3% at the point of production for 3 years.

Oil or gas produced from a development well for which drilling commenced July 1, 1999 through June 30, 2003 and for which three-dimensional seismic was used in connection with the drilling of such oil or gas shall be assessed at the rate of 3% at the point of production for 5 years.

The exemption lapses when the average monthly sales prices exceed \$20 per barrel for oil or \$2.50 per MCF for gas. The Miscellaneous Tax Bureau will maintain average monthly sales prices.

### **Timber and Timber Products (27-25-1)**

Value or quantity of timber or its products severed or produced from soil for commercial use - various by kind of timber and timber products.

Saw logs - Log Scale Doyle Rule	
Pine and soft woods	\$1.00 per thousand feet
Hardwoods	\$.75 per thousand feet
Lumber - actual board measure	
All species	\$.75 per thousand feet
Poles, piling, posts	\$3.60 per 100 cubic feet
Pulpwood – pine	\$.30 per cord
All other species	\$.22½ per cord
Stumpwood	\$.25 per ton
Turpentine crude gum	\$.30 per bbl. of 400 lbs.
Other timber products not specified:	\$ .75 per thousand feet board measure
	\$.37½ per cord

### **Gas and Oil Maintenance Tax STATE OIL and GAS BOARD (27-25-501 & 27-25-701)**

Oil and gas produced and severed for sale, transport, storage, profit or commercial use 6% of value except oil, produced from an enhanced oil recovery method well which is 3% of value.

Maintenance tax - not to exceed 5 mills per barrel of oil or 4/10 mill per cubic foot of gas. (To State Oil and Gas Board)

### **TIRE DISPOSAL FEE SALES/USE TAX BUREAU (17-17-423)**

Effective January 1, 1992, a \$1.00 waste tire fee is imposed on each new motor vehicle tire sold at retail. Senate Bill 2498, as passed in the 1997 Regular Session, amends effective July 1, 1997, the waste tire fee to \$1.00 per tire with a rim diameter of less than 24 inches and a \$2.00 fee per tire with a rim diameter 24 inches or larger. These fees will apply to farm tractor tires, farm trailer tires and other tires for farm equipment. The retailer must add this fee, after all applicable sales taxes have been computed, to the cost of all new motor vehicle tires sold. The retailer is to remit all fees collected, less 5% collection cost, to the State Tax Commission on the return provided by the Commission.

Effective July 1, 2004 the tire disposal fee is levied on each new tire sold at wholesale. Also, the wholesaler is liable for collecting the fees imposed on the wholesale sale of tires and remitting such amounts to the tax commission. In addition, a retailer who purchases tires from a wholesaler or manufacturer outside this state upon which the waste disposal fee is not imposed is responsible for remitting the waste tire fee directly to the Tax Commission in lieu of payment of the tax to the wholesaler or manufacturer. Retailers are prohibited from imposing a disposal fee on customers in excess of the actual per tire disposal cost incurred, nor can they waive the tire disposal fee. If a retailer is required to remit the waste tire fee directly to the Tax Commission, the fee is considered an actual part of his disposal costs.

**TOBACCO**  
**MISCELLANEOUS TAX BUREAU**  
**Licenses**  
**(27-69-7)**

Manufacturers, distributors, wholesalers:

Wholesalers	\$100 annually
Retailers	No Fee

**Excise**  
**(27-69-13)**

Cigarettes, cigars, snuff, chewing tobacco and smoking tobacco:

Cigarettes - (Federal 16 cents); (State 18 cents) per 20 cigarettes	
Cigars	15% of Mfg. list price
Snuff, chewing tobacco	15% of Mfg. list price
Smoking tobacco	15% of Mfg. list price

**Tobacco Tax**  
**(27-69-1 to 27-69-77)**

Nonresident tobacco dealers obtaining a license or permit as provided by Section 27-69-7 in addition to meeting the requirements as provided by the Tobacco Tax Law, Chapter 69, Title 27, Mississippi Code of 1972, shall comply with any additional requirements imposed by their state of domicile on Mississippi dealers licensed to do business in that state pertaining to shipments, storage, license fees or any other requirements other than payments of excise taxes.

**UNEMPLOYMENT INSURANCE**  
**MISSISSIPPI DEPARTMENT OF EMPLOYEMENT SECURITY**  
**(71-5-11)**

Employer means:

1. Any employing unit having one or more employees on some day in each of 20 calendar weeks in the current or preceding calendar year or which paid \$1,500 in payroll in any quarter in the current or preceding calendar year, or;
2. Employers of agricultural labor if 10 or more employees were employed on some day in each of 20 calendar weeks or paid \$20,000 in wages in some quarter of the current or preceding calendar year, or;
3. Employers of domestic employees if they paid \$1,000 or more in cash in some quarter of the current or preceding calendar year, or;
4. Nonprofit organizations which are exempt under Section 501(c)(3) of the Internal Revenue Code if they employed 4 or more employees on some day in each of 20 calendar weeks in the current or preceding calendar year.

Sections 71-5-351, 71-5-353, 71-5-355 refers to contributions required under the Law for those employers in the private sector.

The taxable wage base in the first \$7,000 in wages paid to an employee during the calendar year.



**RATES**

Employer rates range from a statutory minimum rate of .4% to a maximum rate of 5.4%.

Each newly subject employing unit shall pay contributions at the rate of 2.7% until it is eligible for a modified rate.

Questions concerning unemployment insurance should be directed to the Mississippi Department of Employment Security, Contributions and Status Department, P. O. Box 1699, Jackson, MS 39205, telephone number 601-961-7755.

**USE**  
**SALES/USE TAX BUREAU**  
**(27-67-1)**

Privilege of use, storage, consumption of personal property - tax based on purchase price or selling price, or value, multiplied by the same rate as applicable in the Sales Tax Law. Credit will be allowed for tax properly paid to another state except for tax paid on automobiles, trucks, truck-tractors and semi-trailers imported and first used in Mississippi. Exemptions in general are the same as those applicable under the Sales Tax Law.

This tax is paid to the Sales & Use Tax Bureau of the Tax Commission.

**911 EMERGENCY TELECOMMUNICATIONS**  
**MISCELLANEOUS TAX BUREAU**  
**Training Fee**  
**(HB 901, 1993)**

A monthly service charge of 5 cents per subscriber line within Mississippi remitted by service suppliers to be used to fund the emergency telecommunications training.